

MACON COUNTY, ILLINOIS

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

***For the fiscal year ended
November 30, 2008***

May, Cocagne & King, P.C.

Certified Public Accountants & Consultants

MACON COUNTY, ILLINOIS

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

***For the fiscal year ended
November 30, 2008***

***Report prepared and issued by
the Macon County Auditor's Office***

Amy C. Stockwell, County Auditor

MACON COUNTY, ILLINOIS

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INTRODUCTORY SECTION

AMY C. STOCKWELL



Macon County Auditor

May 31, 2009

To the Citizens of Macon County, Illinois and the Macon County Board

Ladies and Gentlemen:

We are pleased to present Macon County, Illinois' (the County) Comprehensive Annual Financial Report (CAFR) for the year ended November 30, 2008. It has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. The County is responsible for the accuracy and fairness of the presentation of the financial statements and other information as presented herein. The data presented in this report is believed to be accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the County's financial activities have been included.

This report is intended to provide informative and relevant financial information for the citizens of the County, board members, investors, creditors and other concerned readers. All are encouraged to contact me with any comments or questions concerning this report.

In accordance with requirements established by Illinois law, the County's financial statements have been audited by independent certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report and includes an unqualified opinion.

An audit was also conducted to meet the requirements of the Federal Single Audit Act Amendment of 1996 and related Office of Management and Budget Circular A-133, Audits of State and Local Governments. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of Federal and state awards. The results of the Federal Single Audit are presented as part of the CAFR.

- i -

The role of the auditors is to audit the basic financial statements to determine if they are free of material misstatements and to assess the accounting principles used. Based on their findings, they express an opinion on the fairness of the statements and disclose any material weaknesses. Responsibility for the accuracy of the data presented as well as completeness and fairness of presentation of this report rests with County management.

Macon County Illinois

Established in 1829, Macon County is 581 square miles located centrally in the State of Illinois, some 150 miles south of Chicago and west of Indianapolis, 109 miles northeast of St. Louis and 70 miles south east of Peoria. The County was explored and settled because of the richly productive nature of its prairie lands which have been plowed and farmed for almost two hundred years. During the 20th century, Decatur became an important manufacturing center because of its central location and the entrepreneurial energy of its people. During the 1990's and into the beginning of the new century, Macon County was hit hard with plant closings. The population of the County has been in a gradual decline over several decades.

Macon County retains its industrial character, with a number of companies having major manufacturing facilities here. Macon County is the location for the headquarters of Archer Daniels Midland and Tate & Lyle North America; Caterpillar has a major plant here and has expanded to serve a growing world-wide market for heavy equipment especially demanded by developing economies. As the national economy is changing, so is that of Macon County. Major employers outside the manufacturing sector include Decatur Memorial Hospital, the Decatur Public School District, Illinois Power, St. Mary's Hospital, the Norfolk Southern Corporation, Millikin University, the City of Decatur, Richland Community College, United Parcel Service, and Macon County government itself.

The Census Department continues to estimate reductions in population of the County; nine years past the last census and one year from new numbers, we are eager to see what actual data will show in 2010. Macon County and Decatur have shown falling populations for some time. The largest concentration of population in the County is located in the City of Decatur, which the U.S. Census estimates lost 3.3% of its population between 2000 and 2003, and 4.2% of its population from 1990 to 2000.

The population is older than the state average: 15.7% are over age 65 (versus 12.0% for the state) and also more female (52.3% in Macon County versus 50.9% for the state). Residents of Macon County are more likely to own their homes than the state average: 71.6% of households in Macon County were homeowners versus 67.3% statewide, according to the 2000 census. Median housing costs are one half of state-wide numbers: the median value of a home in the 2000 census was \$ 69,800 versus \$ 130,800 for the state as a whole. Macon County residents were more likely to be high school graduates than the state average (83.2% in Macon County versus 81.4% for the state).

Government Structure and Services

Macon County government provides a full range of services to the citizens, including most prominently the Courts and criminal justice system. The County administers the consolidated civil and criminal justice system and fulfills various law enforcement functions through the Sheriff's Office. Other major County responsibilities include maintenance of all property records, administration of consolidated elections, provision of public health services and maintenance of county roads, bridges and highways. A number of other functions are performed by County officials, including emergency management services, animal control, job training and workforce development, the veteran's commission and solid waste management among others.

Macon County is a non-home rule county government governed by the Illinois County Code, 55 ILCS 5+ and related acts. It is composed of 24 departments, including 9 independently elected officials, the judiciary, and a twenty-one member County Board elected from seven three member districts. The Board is both the legislative policy maker and the supervisor of administration for departments that report directly to the Board.

Elected officials, department heads and County board members work cooperatively together to insure the smooth functioning of county government. Macon County government also has cooperative arrangements with other governmental agencies, including the City of Decatur and various townships and villages throughout the county.

Future Outlook

Macon County has reached a major milestone with the complete repayment of its internal intrafund debt after the close of the fiscal year 2007. The county's general fund had deficit spending during the 1998-2001 period which created internal debt; now, seven years of surpluses in the General Fund (2002-2008) are allowing complete repayment of this internal debt. Fund balances have been built up to recommended levels and provide some insulation for the difficulties caused by the recent world-wide financial downturn. Repayment of the debt and careful management of financial assets are allowing levy reductions for some funds and the General Fund levy stands slightly below the maximum allowed by law. Unrestricted fund balances are now in the acceptable range for sound financial management and are being supplemented with designated reserves especially for expected future increases in health care costs.

Appropriations and spending are closely watched under the County Board's 'zero growth' budget policy. Population and employment trends make it very likely that this policy will continue for the foreseeable future. In addition, expected declines coming from state and federal deficits will impact Macon County and will demand that all expenditures be carefully considered. Prudent financial management policies continue to be implemented and refined throughout the County.

Although Macon County does not have a formal multi-year budgeting process, the Finance Committee is very committed to careful management of financial resources. A formal multi-year capital budget is being implemented this year, and multi-year forecasting models are being developed. A number of initiatives will continue to be examined in 2009 as we continue to move toward multi-year budgeting. Demographic trends make it imperative that expenditures be cautious now and in the future to be able to keep the progress that has been made in reducing property tax levies despite inevitable cost increases (payroll, health insurance, utilities, and so forth).

GFOA Certificate

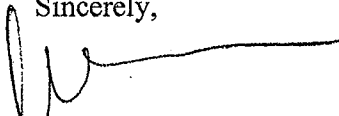
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Macon County for its comprehensive annual financial report for the fiscal years ended November 30, 2006 and November 20, 2007. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

Preparation of the CAFR is a very significant undertaking, and I wish to thank all the employees of my office and all those in other offices throughout Macon County who helped make this possible. I am especially appreciative of the initiative and care shown by Chief Deputy Auditor Carol Reed. We are also indebted to the professionalism and commitment of our independent auditors, May, Cocagne and King. The cooperation of everyone is greatly appreciated, as is the commitment of the Macon County Board to professional financial management of Macon County for the benefit of our ultimate bosses, the citizens and taxpayers of this County.

Sincerely,



Amy C. Stockwell
Macon County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Macon County
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
November 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. R. M.", is written above the title "President".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer", is written above the title "Executive Director".

Executive Director

MACON COUNTY, ILLINOIS

LIST OF PRINCIPAL OFFICERS

November 30, 2008

COUNTY BOARD MEMBERS:

District	Representative	District	Representative
5	Patricia Cox	3	Tim Dudley
6	Dave Drobisch	4	Kevin Meachum
3	Jay Dunn	2	Bill Oliver
4	Keith Ashby	2	Jerry Potts
6	Don Westerman	1	Robert Sampson (Chairman)
5	Phillip Hogan	7	Bryan Smith
5	Mervil Jacobs	2	Verzell Taylor
3	John Snyder	7	Ed Yoder
4	Joe McLaughlin	6	David Williams
1	Linda Little	1	Melverta Wilkins
7	Michael Spent		

OTHER ELECTED OFFICIALS:

Auditor, Amy Stockwell

County Clerk, Stephen Bean

Treasurer, Steve Grimm

Recorder, Mary Eaton

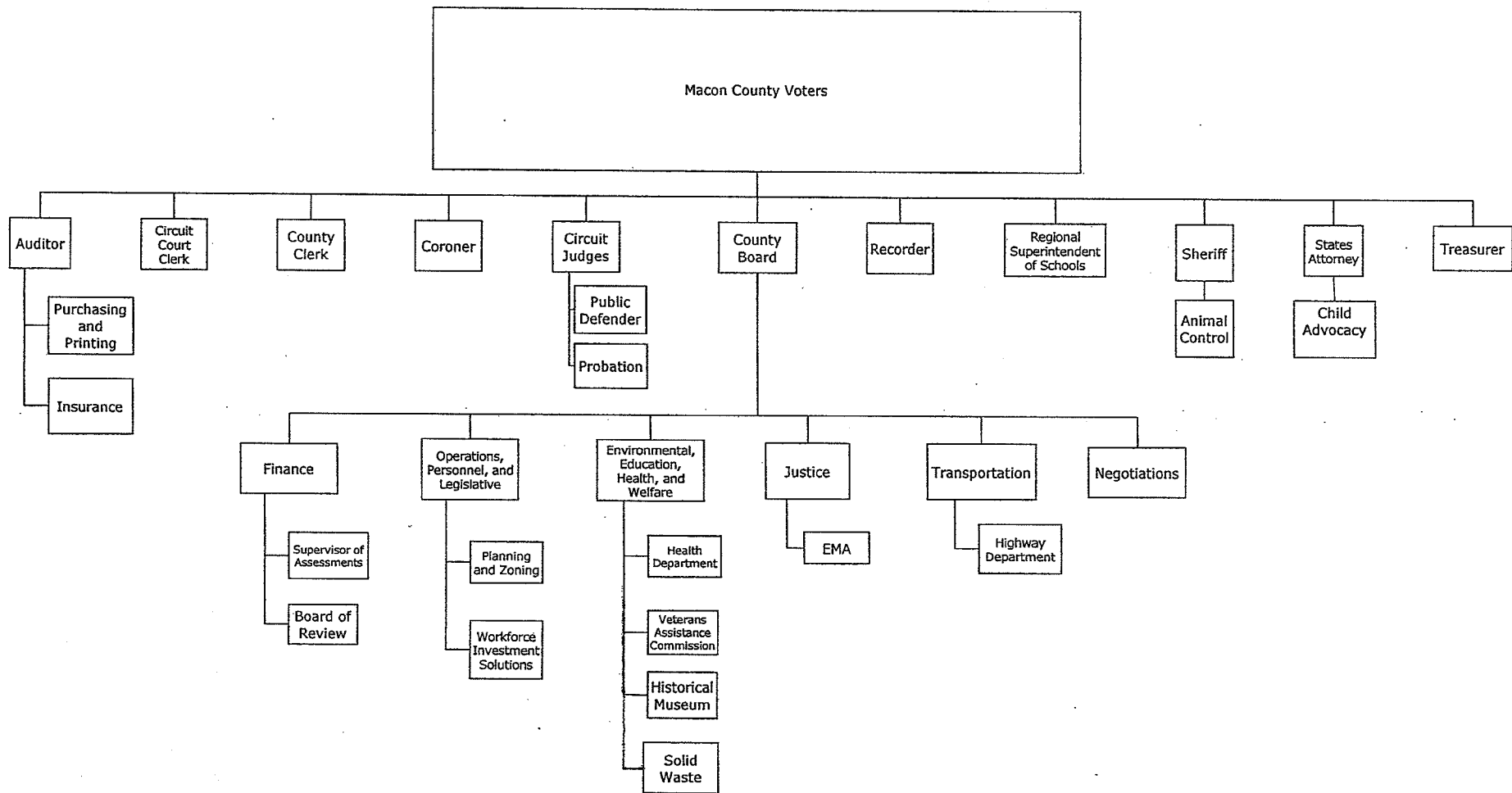
Circuit Clerk, Kathy Hott

State's Attorney, Jack Ahola

Coroner, Michael Day

Regional Superintendent of Education, Richard Shelby

Sheriff, Tom Schneider



FINANCIAL SECTION



May, Cocagne & King, P.C.

Certified Public Accountants and Consultants

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ANDREW D. THOMAS
HELGA J. TOWLER
WILLIAM R. MOSS
CATHERINE J. MANSUR
STEVEN R. GROHNE
MARK S. WOOD

INDEPENDENT AUDITORS' REPORT

Macon County Board
Macon County, Illinois
Decatur, Illinois

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon County, Illinois as of and for the year ended November 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the County's nonmajor governmental funds, internal service, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended November 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Macon County Mental Health Board or the Macon County Emergency Telephone System Board which represent 21% of the assets, 16% of the liabilities and 25% of the net assets of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Macon County Mental Health Board or the Macon County Emergency Telephone System Board, is based on the report of the other auditors.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Decatur Public Building Commission and the Macon County Emergency Telephone System Board were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major funds, and the aggregate remaining fund information of Macon County, Illinois as of November 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service and fiduciary fund of Macon County, Illinois as of November 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2009, on our consideration of the Macon County, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 5-20 and 74-91 are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Macon County, Illinois' basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Macon County, Illinois. The accompanying individual Workforce Investment Solutions grant financial information is presented to comply with the requirements of the Illinois Department of Commerce and Economic Opportunity and is also not a required part of the financial statements. The schedule of expenditures of federal awards and grant financial information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

May, Cocagne & King, P.C.

April 29, 2009



May, Cocagne & King, P.C.

Certified Public Accountants and Consultants

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MARK S. WOOD

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**Macon County Board
Macon County, Illinois
Decatur, Illinois**

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon County, Illinois, as of and for the year ended November 30, 2008, which collectively comprise the Macon County, Illinois' basic financial statements and have issued our report thereon dated April 29, 2009. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Macon County, Illinois' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Macon County, Illinois' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Macon County, Illinois' internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Macon County, Illinois' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Macon County, Illinois' financial statements that is more than inconsequential will not be prevented or detected by the Macon County, Illinois' internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting items 08-1 through 08-3.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Macon County, Illinois' internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Macon County, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of Macon County, Illinois, in a separate letter dated April 29, 2009.

Macon County, Illinois' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Macon County, Illinois' response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, others within the organization, County Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

May. Coagne King, P.C.

April 29, 2009

**MACON COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

November 30, 2008

The Macon County, Illinois' (the "County") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the County's financial activity, (3) identify changes in the County's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the basic financial statements and accompanying notes to those financial statements.

Financial Highlights

- The assets of Macon County exceeded its liabilities at the close of the most recent fiscal year by \$ 61,473,489 (*net assets*), down \$ 1,873,072 from the prior year. Of the total net assets of the primary government, \$ 34,537,452 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors. This number is down \$ 66,361 over last year. The three discretely presented component units of Macon County have a total of \$ 24,777,216 in additional net assets, of which \$ 5,963,139 is unrestricted.
- Government-wide, Macon County had \$ 50,840,880 in expenses for the primary government, up \$ 3,167,006 from the prior year. Of this increase, the largest components were increases in Public health and welfare (up \$ 1,860,399 over last year) and also in Judiciary/Courts (up \$ 1,078,162 over last year). One of the largest reasons for this increase was the recording of the full liability for the Early Retirement Incentive program offered in 2008. Transportation and interest on debt were virtually unchanged while public safety expenditures grew modestly. Expenses for general control and administration decreased in 2008.
- The primary government offset expenses with \$ 7,334,747 of charges for services and \$ 14,737,366 of operating grants and contributions. This left a balance of \$ 28,768,767 in expenses to be covered by general revenue sources for the primary government. General revenues, including property taxes, sales taxes, income taxes and other income sources, were \$ 26,895,695 government-wide, thus creating a decrease in net assets for the year of \$ 1,873,072.
- Macon County component units had \$ 8,817,398 in expenses, offset by \$ 5,519,654 of charges for services and \$ 1,067,202 of operating grants and contributions. Expenses were higher than revenues in two of the three component units, while revenue exceeded expense for the Decatur Public Building Commission creating an increase in net assets for this unit.

- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$ 5,752,424 or 34.8% of total general fund expenditures. In addition, the Macon County Board designated \$ 2,500,000 for a reserve for possible future self funding of employee health costs and an economic stabilization (“rainy day”) fund. Ending fund balance is the sum of revenue minus expense in all prior years. In fiscal year 2006, we saw ending fund balance at a normal, fiscally prudent level finally overcoming the effects of deficit spending in fiscal years 1999, 2000 and 2001 and surpluses in 2007 and 2008 have now returned unrestricted fund balances to normal and prudent levels.
- Macon County reduced general obligation debt in 2008 by making scheduled payments, plus additional principal payments, on the mortgage for the Health Department building expansion. Total general obligation debt was reduced by \$ 87,797 during fiscal year 2008. Total government-wide long-term debt increased by a net of \$ 1,559,266, largely because of the addition of \$ 2,018,078 of liability for retirement incentive program. This liability was reduced by an initial payment of \$ 339,746 and the Macon County Board has committed to retiring this liability as quickly as possible.
- Macon County has \$ 27,808,890 in capital assets, net of accumulated depreciation, for the primary government. Net Capital assets include \$ 91,809 in land and improvements, \$ 2,595,752 in buildings and improvements, \$ 1,182,909 in vehicles, and \$ 23,402,888 in infrastructure. Government-wide, there was also \$ 535,532 in furniture, fixtures, technology and equipment. Major capital asset purchases this year included new vehicles for the State’s Attorney, Solid Waste, Animal Control, and the Sheriff (totaling \$ 591,984). A number of departments replaced computer hardware and software. Given the speed of technological change and the improvements in capacity each new version provides, it is reasonable to expect that continuing investments in technology will be a regular feature of the capital plan.
- The Decatur Public Building Commission, a component unit, has \$ 25,017,996 of capital assets including \$ 1,049,447 in land and improvements, \$ 116,340 of construction in process, and \$ 23,852,209 in other capital assets including the Law Enforcement Center, the Court House, the Macon County Office Building and the Animal Control Facility, which was placed in service during 2007. Major projects undertaken in 2008 included new uninterruptable power supply in the Law Enforcement Center as well as upgrading the security doors and camera system in that facility as well.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Macon County’s basic financial statements. The County’s basic financial statements are comprised of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of Macon County's finances, in a manner similar to a private sector business. They present the financial picture of the County from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the County (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables and receivables.

The *statement of net assets* presents information on all of Macon County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County in total is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as the underlying event giving rise to the change occurs. Revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The government-wide financial statements include Macon County government and three component units: the Macon County Mental Health Board (708 Board), the Emergency Telephone System Board (ETSB Board) and the Decatur Public Building Commission (DPBC). Financial information for the component units is reported separately from the financial information presented for the primary government. Complete financial statements for each component unit are available as noted in the accompanying footnotes.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Macon County, like other units of state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds, including the General Fund, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Macon County maintains 39 governmental funds, including the General Fund, 37 Special Revenue funds, and one Capital Project fund. (There are a number of additional funds for management reporting and control purposes.) Of these 39 governmental funds, 6 (including the general fund) are major funds as defined by GASB Statement No. 34 for each of which are presented statements of revenues, expenditures, and changes in fund balances as well as fund balance sheets. Non-major funds are also presented individually in the supplemental information.

Macon County government adopts annual appropriated budgets for the General Fund and most Special Revenue funds. Budgetary comparison statements (original versus final) statements have been provided for the General Fund, the Illinois Municipal Retirement Fund, the County Health Fund, the County Highway Fund, the Federal Aid Matching Fund, the County Motor Fuel Tax Fund and the Multi-Facility Lease Fund to demonstrate compliance with the adopted budget.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

Proprietary Funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Internal Service Fund (a proprietary fund) is used to report activities that provide supplies and services for other programs and activities - such as the County's self-insurance program. Because these services predominately benefit governmental rather than business-type functions, the Internal Service Fund is reported with governmental activities in the government-wide financial statements.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the County's financial statements.

The County's Government-wide Financial Analysis

Of the County's primary government total assets of \$ 68,549,739, a substantial portion (45.1%) is held in cash (\$ 21,962,868) and monetary investments (\$ 8,976,441). Cash and investments again increased by \$ 1,084,417, up 3.6% from the prior year. A roughly equivalent portion of assets are capital assets including the County's transportation infrastructure. Receivables from all sources are 7.6% of assets, and increased 4% from the prior year.

The government-wide balance sheet includes three component units, which each have significant operational and/or financial relationships with the County. The largest of these is the Decatur Public Building Commission, which has \$ 28,806,181 in assets including \$ 1,424,387 in cash and cash equivalents, and \$ 2,048,414 in restricted cash, constituting 12.1% of its total assets. Net assets increased by \$ 1,034,557 due to an operating surplus due to receipt of the full operations and maintenance payment specified in the long-term lease. The DPBC holds the county facilities (office building, court house, animal control facility and law enforcement center) on its books for a total of \$ 25,017,996 or 86.8% of total DPBC assets.

Liabilities total \$ 7,076,250 for the primary government, including accounts payable, accrued salaries, liability for future compensated employee absences, early retirement and deferred revenue. A major external obligation of primary government liabilities is the general obligation note on the health department building of which the entire balance of \$ 964,205 is due within one year. Health Department officials are currently negotiating the terms and extended due date of the remaining obligation. The liability to the Illinois Municipal Retirement Fund for the recently offered Early Retirement Incentive program has been recognized on the government-wide statement. A portion of this is characterized as long-term, while a portion is characterized as coming due within the next year. While the entire liability will be amortized over 10 years as part of Macon County's contribution rate, an additional payment on the liability will be made at the end of the fiscal year to further reduce future interest costs.

Assets minus liabilities equal net assets, or assets available after satisfaction of obligations. Net assets for Macon County currently stand at \$ 61,473,489 for the primary government, down 3% from the prior year. Restricted Net Assets of \$ 91,352 are restricted for capital projects, debt service and other items and are not available for additional obligations. Unrestricted net assets are essentially unchanged from last year.

The County's net assets for fiscal year ended November 30 are summarized as follows:

	2008	2007	
	Governmental	Governmental	
	Activities	Activities	% Change
Current and other assets	\$ 40,740,849	39,269,662	3.7%
Capital assets	27,808,890	29,688,257	(6.3)%
Total assets	68,549,739	68,957,919	(.6)%
Long-term liabilities	1,881,160	1,930,309	(2.5)%
Other liabilities	5,195,090	3,681,049	41.1%
Total liabilities	7,076,250	5,611,358	26.1%
Net Assets:			
Invested in capital assets, net of related debt	26,844,685	28,636,255	(6.3)%
Restricted	91,352	106,493	(14.2)%
Unrestricted	34,537,452	34,603,813	(.2)%
Total net assets	\$ 61,473,489	63,346,561	(3.0)%

Governmental activities decreased the County's net assets by \$ 1,873,072 during fiscal year 2008. The key components of this change for the primary government are the following:

	2008	2007	% Change
Revenue:			
Program revenue:			
Charges for services	\$ 7,334,747	6,984,439	5.02%
Operating grants and contributions	14,737,366	13,519,377	9.01%
General revenue:			
Property taxes	15,759,831	14,956,074	5.37%
Sales tax	6,010,009	5,905,221	1.77%
Income and replacement taxes	2,522,896	2,409,412	4.71%
Investment income	700,547	1,294,699	(45.89)%
Miscellaneous	1,902,412	1,971,218	(3.49)%
Total revenue	48,967,808	47,040,440	4.10%
Expenses:			
General control and administration	9,160,744	9,421,696	(2.77)%
Public safety	14,054,775	13,637,829	3.06%
Judiciary and court-related	9,115,238	8,037,076	13.41%
Public health and welfare	11,497,511	9,637,112	19.30%
Transportation	6,962,170	6,897,914	.93%
Interest on long-term debt	50,442	42,247	19.40%
Total expenses	50,840,880	47,673,874	6.64%
Change in net assets	(1,873,072)	(633,434)	195.7%
Net assets, beginning	63,346,561	46,981,316	34.83%
Prior period adjustment		16,998,679	(100.00)%
Net assets, ending	\$ 61,473,489	63,346,561	(2.96)%

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- The overall financial position of the County remained roughly the same during fiscal year 2008. For the government as a whole, expenses exceeded revenues by \$ 1,873,072, which reflected planned drawdown of several special revenue fund reserves to insure prudent use of tax dollars as well as the recording of the Early Retirement Incentive (ERI) liability. In deciding to offer the ERI program, the Macon County Board determined that there would be a savings to current operating expenses by offering the program.
- Government-wide, Macon County had \$ 50,840,880 in expenses in its primary government functions, up 6.6% from the prior year. This is the second year of including depreciation on infrastructure (highway) assets: these expenses were down 16.2% over the prior year. Lease payments paid to the DPBC were essentially unchanged from the prior year (up \$ 2,184 on a \$ 5.7mm total expense) leaving operating expenses less lease and depreciation up 9.3%. Recording the liability for an early retirement incentive program was another major contributor to the increase in spending; the Macon County Board believes that offering this program will reduce operating costs over time.
- Building expenses (including operations and maintenance and principal and interest) are divided by function. The \$ 5,769,166 payment was split into three areas - \$ 1,190,399 in General Control, \$ 3,093,148 in Public Safety, and \$ 1,485,619 in Judiciary and the Courts.
- These expenses were offset by 7,334,747 of users' fees (charges for services) and \$ 14,737,366 of operating grants and contributions, leaving \$ 28,768,767 of expenses to be covered by general revenue sources. User fees showed an increase of 5.02% with a full year of fee increases in court costs as well as continued strength in fees collected for recording deeds. Substantial increases in fee income were recorded in the public safety area (14.6%) and the public health area (11.1%). Operating grant revenues were also up 9.0% or \$ 1,217,989, with all areas except public safety recording increases in funding in 2008.
- The \$ 28,768,767 not covered by service charges and operating grants was up 6.0% from last year. This is at least partially due to the assignment of the ERI liability to operating divisions. The following summarizes changes in the major expenditure categories excluding the lease and depreciation expenses:

	2008	2007	Change
Operating Expenses without Lease and Depreciation:			
General Control and Administration	\$ 7,737,484	7,725,205	12,279
Public Safety	10,784,152	10,423,181	360,971
Judiciary and Court	7,608,964	6,369,517	1,239,447
Public Health and Welfare	11,372,873	9,440,621	1,932,252
Transportation	5,074,379	4,991,235	83,144
Interest on Long-term Debt	50,442	42,247	8,195
Total	\$ 42,628,294	38,992,006	3,636,288

- The ERI liability was distributed as follows: \$ 410,818 to Public Safety, \$ 724,599 to Judiciary and Courts, \$ 354,139 to Public Health and \$ 188,776 to Transportation. Operating expenses without depreciation, lease or ERI were as follows:

	2008	2007	Change
Operating Expenses without Lease, Depreciation or ERI:			
General Control and Administration	\$ 7,737,484	7,725,205	12,279
Public Safety	10,373,334	10,423,181	(49,847)
Judiciary and Court	6,884,365	6,369,517	514,848
Public Health and Welfare	11,018,734	9,440,621	1,578,113
Transportation	4,885,603	4,991,235	(105,632)
Interest on Long-term Debt	50,442	42,247	8,195
Total	\$ 40,949,962	38,992,006	1,957,956

- The \$ 12,279 increase in operating expenditures in the General Control and Administration line (removing the lease, depreciation and ERI) covers inflation for the County Board, GIS fund, Recorder, Supervisor of Assessments, Board of Review, County Clerk, Treasurer and Auditor as well as all insurance premium payments, claims and judgments. This 0.2% increase is well below any measure of inflation and represents continuing efforts to negotiate favorable vendor agreements and find more efficient ways of operating.
- The \$ 49,847 decrease in operating expenses government-wide for Public Safety (after depreciation, lease and ERI) was due to considerable efforts by the Macon County Sheriff to increase the efficiency of operations and negotiate more favorable vendor contracts. Despite increases in health insurance, wage rates and other essential cost increases, operating expenses have essentially been held flat in this very important portion of county government. Expenditures in the Animal Control Fund decreased slightly with the retirement of a senior officer and somewhat diminished adoption activity because of the economic downturn. The Animal Control operation is also being supported by the Decatur Macon County Animal Shelter Foundation which raises private funds for the support of adoption coordinators.

- The Judiciary and Courts expenditures grew by \$ 514,848 government-wide primarily because increases spread throughout the State's Attorney, Probation and the Circuit Clerk's offices. In addition to operating cost increases, this group of activities was charged \$ 261,000 of the initial payment on the ERI liability made at the end of the year. Contractual and management-determined increases in personnel costs, technology upgrades and increases in outside services all contributed to the increase.
- Public Health and Welfare operating expenditures grew by \$ 1,578,113 because of increases in payroll and benefits and also because non-cash WIC food instruments and vaccine inventories are now recorded as revenue and expense. Because these items were added to both revenue and expense, there is no impact on net assets. Activity levels for these programs are roughly the same as last year. Solid Waste expenditures fell slightly as did those of Workforce Investments. Workforce Investments will show a major increase in activity in 2009 as that department is the recipient of \$ 1.6mm in federal stimulus dollars to help retrain displaced workers in the Workforce zone which includes Decatur and Macon County.
- Transportation operating expenditures (minus lease, depreciation and ERI) fell by \$ 105,632 largely because engineering expenses for the County's portion of the South-east beltway were somewhat less than the prior year. The year was largely marked by normal bridge and highway construction and repair. Costs continue for engineering studies on the South-east Beltway. If the Beltway receives all of the appropriate state and federal approvals, it will require a very large (many millions of dollars) financial commitment from Macon County in future years.
- Interest on long-term debt is incurred on the mortgage for the expanded building at the Health Department. These expenditures are decreasing slightly as the mortgage is being paid down. Although a balloon payment on this mortgage will come due at the end of the 2009 fiscal year, managers at the health department are confident that a new mortgage at a favorable rate can be negotiated before then.
- Grants and other contributions which contributed 28.7% of all revenues during fiscal year 2007 were up to 30.1% of revenues during 2008. An additional \$ 1,217,989 of grants was received government-wide during 2008, for a 9% increase. Charges for services were also up 5%, from 14.8% of total revenue in 2007 to 15.0% in 2008. Together, grants and charges totaled 45.1% of total receipts; this increase in performance-based revenue slightly reduced the government's reliance on general tax revenues.
- General revenues were 54.9% of total revenue and, of this amount, \$ 15,759,831 were collected from Macon County residents in the form of property taxes. This amount was up from the prior year because of increases in the levies for the Retirement and Social Security funds as well as the Health Fund, partially offset by decreases in the levies for Insurance, Judgment and the Building Lease Funds.
- The next largest portion of general revenues is from sales taxes collected by retailers in the County. Sales taxes came down at the end of the year reflecting national economic trends at the end of the year, and we expect that this reduction in sales taxes will continue well into 2009. Following sales taxes, the next largest general revenue source is from state income and replacement taxes collected by the Illinois Department of Revenue and passed back to Macon County. In 2008 this category of revenue was up 4.7%, but we observed a significant downturn at the end of the calendar year which will affect 2009 results.

Financial Analysis of Macon County's Major Funds

As noted earlier, Macon County government uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Expenses and Program Revenues - Governmental Activities

Macon County government provides a number of services to the citizens of Macon County. These include law enforcement and administration of the criminal justice system, administration of consolidated elections, property tax records and tax collection for all taxing bodies, maintenance of county roads, bridges and highways and the provision of health services.

Revenues by Source - Government Activities

Revenues to support these programs are provided by fees for services, by operating grants and other intergovernmental transfers and from general revenue.

Charges for services include a wide variety of fees for court costs, fees collected when deeds are recorded, and fees collected when vital records are recorded. Fees are also collected for County building permits.

Operating Grants include both State and Federal grants; federal grants are passed through state agencies. These may be in the form of subsidies for County personnel (such as Probation, Supervisor of Assessments or State's Attorney) or in the form of grants which require certain services be provided within the term of the grant. These revenue sources are earmarked for provision of specific services and may not be used for other purposes.

The primary source of general revenue government-wide is property taxes. Property taxes are collected for and recorded in separate funds, such as the General Fund, the Retirement Fund, the Highway Fund, and so forth. The Equalized Assessed Valuation, on which all property taxes are raised, has been growing 2-3% in recent years.

General Fund

The General Fund is the main operating fund of the County. The General Fund presented in the financial statements includes other funds which are shown separately for management information purposes, namely the election equipment fund and the circuit clerk's maintenance account. In fiscal year 2008, for the seventh year in a row, the General Fund again showed a positive balance in the operating account (current revenues minus current expenditures). Both revenue and expenditures showed favorable variances to budget contributing to this positive result. The result of seven years of surpluses is the return to financial health of the fund, with total fund balances now standing at a very healthy \$ 8,554,339, including \$ 2,500,000 which has been designated for future needs by the County Board, and \$ 5,752,424 which is unrestricted. The details of fund balance designations are detailed in Note 12.

On the revenue side, total revenue was up slightly from last year while coming in significantly better than the conservative budget for FY 2008. Taxes were up 1.1% or \$ 102,282 over last year because of stable performance of both sales taxes and income taxes and the delayed impact of the economic downturn until after the end of the fiscal year. Intergovernmental revenues were up by 8.5% or \$ 175,747 because of several grants. Fines and fees collected by County offices for services were up 1.7% or \$ 67,158. Interest income has shown a proportionately large decrease of 30.04% or \$ 78,160 due to current market trends and economic circumstances. Several new sources of revenue increased the budget by \$ 49,089 during the year. In total, general fund revenues were \$ 1,207,552 favorable to budget.

On the expenditure side, most departments spent well below their budgeted appropriations. If budget was exceeded in one expense classification or "bucket" within a department, it was offset by spending below budget in another "bucket" for that department.

Spending totaled \$ 16,522,060 versus a final budget of \$ 17,433,875 creating a favorable variance to expenditure budget of \$ 911,815. A favorable result on health insurance expenditures and continued restraint by the office holders contributed to the favorable variance to budget in the general fund. Spending in 2008 in total of \$ 16,522,060 was higher than 2007 spending of \$ 15,822,183 by \$ 699,877, even though most employees received wage increases through their collective bargaining contracts.

These large favorable variances to budget on both the revenue and expenditures sides mean a \$ 1,780,961 addition to fund balance for the general fund.

Budgetary Basis	2008	2007	% Change
Revenues:			
Taxes	\$ 9,588,773	9,486,491	1.1%
Intergovernmental	2,248,050	2,072,303	8.5%
Fines, fees and forfeitures	4,068,250	4,001,092	1.7%
Licenses and permits	110,004	98,700	11.5%
Interest on investments	182,004	260,164	(30.0%)
Miscellaneous revenue	1,666,134	1,586,286	5.0%
Total revenues	17,863,215	17,505,036	2.0%
Expenses:			
General control and administration	3,588,757	3,442,456	4.2%
Public safety	6,321,234	6,166,780	2.5%
Judiciary and court-related	6,257,298	5,989,829	4.5%
Public health and welfare	156,068	154,350	1.1%
Capital outlay	198,703	68,768	188.9%
Total expenditure	16,522,060	15,822,183	4.4%
Excess of revenues over expenditures	1,341,155	1,682,853	(20.3%)
Transfers in	439,806	519,249	(15.3%)
Net changes in fund balance	\$ 1,780,961	2,202,102	(19.1%)

Unrestricted ending fund balance first turned positive at the end of 2004, remained positive in the following years, and has now grown to a comfortable and reasonable level. Seven years of operating surpluses in the General Fund have finally outweighed negative ending fund balances caused by deficit spending in the General Fund in fiscal years 1999, 2000 and 2001. Going forward, the Illinois Comptroller recommends that General Fund unrestricted fund balances should be no less than three months of expenditures in the General Fund (about \$ 4mm).

The detailed statement of this fund is found on pages 74 through 79 of the financial report.

Illinois Municipal Retirement (IMRF) Fund

Macon County's IMRF Fund levies taxes to provide the County's portion of retirement benefits for past and current employees. IMRF was created in 1939 by the Illinois General Assembly, and now serves 2,900 employers (local governments and school districts) holding \$ 24 billion in assets. IMRF administers three defined benefit plans: the regular plan, the Sheriff's law enforcement personnel plan, and the Elected County Official Plan. Benefits are guaranteed to employees by the state constitution; investment risk is borne by the individual employers for their employees.

Taxes are levied in this fund, and monthly payments are made to IMRF based on a rate determined by IMRF at the beginning of the year and actual monthly payroll activity. This fund also collects employee payments for their portion of IMRF contributions and remits those to IMRF monthly.

Expenditures in this fund were up by \$ 341,384 which was essentially the payment made in December 2008 on the first portion of the liability for the early retirement incentive program. This payment was budgeted in the legally adopted budget in FY 2009, and made in December 2008. However, generally accepted accounting principles require that the payment be accrued to FY 2008 although no similar adjustment was made in the budget suggesting an apparent over budget situation which did not in fact occur. Revenues also increased to collect for this payment and to prepare for a second payment on the ERI liability in December 2009 (budgeted in FY 2009).

Details on this fund are shown on pages 80 and 81 of the financial report.

County Health Fund

Macon County's Health Fund levies taxes to provide health related services not covered by specialized grants such as environmental health, immunizations, and well and sick child care among others. This fund is also used to supplement a variety of federal and state grants to promote health, wellness, and disease prevention and to provide health services to underserved populations. The Macon County Board of Health has also decided to offer a number of senior services, designed to help seniors remain in their homes and these services continue to expand. The Macon County Health Department also provides services to neighboring counties on a contract or fee for service basis.

Expenditures and transfers were slightly above revenues in this fund, again reducing fund balances. Last year the fund balance reduction was \$ 60,737, and during fiscal year 2008, it was \$ 369,994. Both revenue and expense grew substantially as non-cash WIC food instruments and vaccine inventories were recorded on both revenue and expense sides; these items had previously been recorded in the Schedule of Expenditures of Federal Awards but not brought into the fund statements (non cash items). Revenue was up by 12.7% in total: taxes increased by \$ 242,952 because of a planned increase in the levy to bring reserves to appropriate levels, while intergovernmental receipts grew 10.3%, largely because of the reporting of WIC food instruments. Fines and fees revenues increased 31% while licenses and permits revenue was down 6.8%, and interest showed the same pattern as other funds and was down 56.5%. Spending grew by \$ 1,022,940 or 19.2%, with personnel costs up by 15.2%; this included a change in the method of charging employee health insurance benefits. Supplies spending grew because of the recording of WIC food instruments and vaccines; the underlying program activity was virtually flat. Capital spending was down, and principal and interest payments on the health department mortgage both increased.

Details on this fund are shown on pages 82 and 83 of the financial report.

County Highway Fund

Macon County's Highway Fund levies taxes to construct and maintain county roads, bridges and highways, including resealing, snow removal and issuing permits for work along county right of ways. The fund is intended by state statute to fully cover operating expenses and partially cover capital expenses of the highway department; other highway capital costs are covered in several additional special revenue funds. In addition to property taxes, this fund receives state Motor Fuel Tax funds via rental of equipment for highway use. Expenditures fell in this fund; in particular, equipment purchases were \$ 445,395 versus \$ 1,135,177 in 2007. The Highway fund balance increased because of the timing of capital projects. At November 30, 2008, the fund balance stood at \$ 2,063,596.

Details on this fund are shown on pages 84 and 85 of the financial report.

Federal Aid Matching Fund

Macon County's Federal Aid Matching Fund is one of seven highway funds (six special revenue and one agency) which pay for highway construction and maintenance. The Federal Aid Matching Fund is used to record receipts of property taxes which provide the local match for federally-funded construction projects on the County Highway System. State statutes restrict the use of these funds to construction and engineering expenses only. These funds cannot be used on operating expenses.

Budget basis revenues totaled \$ 636,628 while expenditures totaled \$ 275,198. Expenditures in this fund are irregular due to timing of major projects. In some cases, funds accumulate over several years in advance of major projects which then are quickly completed. In others, project costs are paid, for which reimbursement is received in later periods. Major maintenance projects this year from this fund included bridges on Fort Daniel Road and Newberg Road. In addition, major expenditures continued to be made for engineering costs related to Phase II of the Beltway expansion project, with \$ 244,315 paid for environmental and engineering studies in preparation for planned route approval by the U.S. Department of Transportation. Several discussions were held with various interested parties including the Village of Mt Zion about the proposed route and potential changes to the route.

Details on this fund are shown on pages 86 and 87 of the financial report.

County Motor Fuel Tax Fund

Macon County's Motor Fuel Tax Fund is also one of the seven highway funds mentioned above which pay for highway construction and maintenance. The Motor Fuel Tax Fund is used to record receipts of the County's Motor Fuel Tax (MFT) allotment from the State of Illinois which is then used for the purpose of maintenance patrols on the County Highway System.

This is the first year for inclusion of this fund as a major fund. Budget basis revenues totaled \$ 2,337,830 while expenditures totaled \$ 2,489,578. MFT funds may be used in conjunction with other Highway funds provided that funded improvements are designed and constructed as MFT projects. MFT funds may also be used for the local share in conjunction with the Township Bridge Program.

Details on this fund are shown on pages 88 and 89 of the financial report.

Multi-Facility Lease Fund

Macon County's Multi-Facility Lease fund collects property taxes which are used to make lease payments to the Decatur Public Building Commission (DPBC) for rental of the Courthouse, Law Enforcement Center, Macon County Office Building, and Macon County Animal Control Facility. The County has no levy limit on this fund as long as there is a valid lease in place with the DPBC, which can be of any mutually agreeable term. The present lease has a ten year term and can be renegotiated with the action of both the County and the DPBC.

The lease payment to the DPBC is composed of principal and interest payments on prior bonds; principal and interest payments on the bonds issued in 2005 for jail expansion, courthouse renovations and acquisition and renovation of the Animal Control Facility, as well as Operating and Maintenance payments for each of the facilities. Operations and Maintenance items include those items typically included on a commercial lease, but also cover a wider range of building related expenditures not typically included in a commercial lease. The lease provides for payment of rent in advance; should funds not be spent, they are returned to the County in the following year at the discretion of the DPBC.

Details of this fund are shown on pages 90 and 91 of the financial report. Details of the lease and its components are given in Notes 8 (Capital Assets) and 16 (Multiple Facilities Lease) to the financial statements.

Capital Asset and Debt Administration

Capital Assets. Macon County's investment in capital assets for its governmental activities as of November 30, 2008 amounted to \$ 27,808,890 net of accumulated depreciation. This investment in capital assets includes land, buildings and related improvements, vehicles, furniture and fixtures, technology and equipment, and infrastructure. Net capital assets decreased by \$ 1,879,367 in fiscal year 2008 largely due to depreciation charged against operations. Additionally, many capital assets purchased during 2008 were replacements of assets removed from service. In addition to the assets of the Primary Government, component unit assets included \$ 25,017,996 for the DPBC and \$ 417,650 for the ETSB.

Major capital asset additions included purchases of new squad cars for the Sheriff, as well as new vehicles for Probation, State's Attorney, Solid Waste, Emergency Management Agency and Animal Control. Additionally, new computers, servers and laptops and associated technology were purchased for a number of offices. The Highway department also purchased a tractor and loader for \$ 252,307.

A detailed schedule of capital assets and associated depreciation are shown in Note 8, pages 52 through 54 of the financial report.

Long-term Debt. The general obligation debt of the County consists of the mortgage for the expansion of the Health Department which is due by November 1, 2009. Details of this debt can be found in Note 9 to the financial statements.

State statutes limit the amount of net general obligation debt of the County; this should not exceed 2.875% of the total assessed valuation of the County. Total County debt falls well below this limit.

The principal component of the County's future commitments is a 10 year operating lease agreement with the Decatur Public Building Commission (DPBC), signed in 2005. As discussed previously, this lease covers principal and interest payments as well as operations and maintenance changes for the major county buildings (excluding the Highway department and the Health department). The 2005 lease was signed in connection with DPBC's \$ 9,490,000 private placement with a local bank with a 4.597 average life and an all-in TIC cost of 3.749392%.

The terms of the Multiple Facilities Lease and its accounting treatment are covered in Note 16, pages 64 through 67.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the County's budget for the fiscal year 2009 period (December 1, 2008 to November 30, 2009):

- Macon County's unemployment rate continues to increase as the County and the state experience additional difficulties with the financial crises of the fall. In 2008, unemployment increased again to 7.2% in the County, over the 5.8% in 2007 and the 5.5% in 2006. Preliminary numbers for the beginning of 2009 show further increases in unemployment, with the County recording 9.2% in February and the state reaching the 10.0% mark. The unemployment rate does not include those who have stopped looking for work. It now appears that there have been increases in some jobs in Macon County; these increases have been offset by losses in other sectors. Macon County continues to deal with the long-term effects of the loss of manufacturing jobs and the loss of major employers in the industrial sector.
- Stimulus funding is being received by various entities in Macon County, including substantial sums for workforce development and training, as well as infrastructure construction and repair. It is hoped that this funding will help stem the long-term tide of job losses.
- Macon County population continues a long-term, slow decline, which limits financial resources available to all public bodies in the County. Population estimates continue to show slight losses during the year; the Census department is estimating an increase of births over deaths, but net population loss because of domestic out migration.

- Macon County has been impacted less than other areas by the recent housing crisis. Macon County housing prices are relatively low and remain very affordable by national statistics. Because property values never were inflated by the speculative bubble, there is currently less downward pressure. At least one independent real estate appraisal source puts the housing price outlook for Macon County down by 4.1%, well below Chicago's -13.7% by the same organization. Going forward, the continued threat of foreclosures and the associated drag on the housing market represent an area of concern.
- Sales tax and income taxes have flattened and are now turning downward, as we have expected during these tough financial times. Sales taxes and income taxes collected in December 2008 (January 2009 at the Department of Revenue) were down significantly from the prior period. We are continuing to monitor this situation closely. Although there have been some promising developments in the employment and local economy, the loss of good paying jobs continues to constrain resources available for government activities. Economic development initiatives have not yet produced results: the strategy of chasing big company relocations which pit regions against each other has not borne any fruit. It is to be hoped that a different strategy will be tried.
- Fees collected for services are trending higher; there appears to have been another round of refinancing as mortgage interest rates continue down. Fees collected by the Circuit Clerk remain very strong as financial and other difficulties keep people using the courts. Federal and state budget deficits make intergovernmental receipts more at risk than previously. In particular, there is great concern with the state budget process, and structural deficits will likely have an impact on Macon County during FY 2009 and beyond. At the national level, stimulus funding has begun flowing for highway construction and summer youth employment.
- Inflationary trends in the region continue to compare favorably to national indices.
- Employee benefits costs continue to increase, including especially the costs of health coverage for County employees. While aggressive management of insurance programs has mitigated the immediate effect, this remains a financial difficulty. A significant increase in claims costs during 2008 has produced a 9.7% increase in health insurance premiums for the July 1, 2009 medical insurance renewal, even with changes to plan design.

With the return of the unrestricted fund balance in General Fund to positive territory, the County Board moved to swiftly complete payment of the old intra-fund debt in early 2008. This milestone was the result of six years of surpluses in the General Fund. In addition, designations of fund balances were created for "Economic Stabilization" (Rainy Day Fund) and for the possible future self funding of employee medical insurance costs. The County Board continues to place a high priority on maintaining adequate general fund reserves for expected revenue shortfalls in the coming years.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in its financial structure. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Macon County Auditor, Amy C. Stockwell, 141 S. Main Street, Suite 312, Decatur, IL 62523; (217) 424-1385.

MACON COUNTY, ILLINOIS

STATEMENT OF NET ASSETS

November 30, 2008

	Primary Government	Discretely Presented Component Units		
		Governmental Activities		Business-Type Activities
		Macon County Mental Health Board	Macon County ETSB	Decatur Public Building Commission
Assets				
Cash and cash equivalents	\$ 21,962,868	2,028,903	68,466	1,424,387
Investments	8,976,441	28,540	3,738,917	
Taxes receivable (net of allowance for uncollectibles)	559,333	2,125,175		
Due from governmental agencies:				
State of Illinois	3,476,634			
Other governmental agencies	951,758			
Accounts receivable	253,121	315,553		14,135
Notes receivable, current		7,650		
Inventories	538,327			58,798
Prepaid items	3,781,531	10,475		31,573
Non current asset - note receivable		255,556		
Restricted cash	240,836			2,048,414
Capital assets:				
Land and improvements	91,809			1,305,813
Construction in process				116,340
Other capital assets, net of depreciation	27,717,081		417,650	23,595,843
Issuance cost of long-term debt, net				210,878
Total assets	68,549,739	4,771,852	4,225,033	28,806,181
Liabilities				
Cash drawn in excess of funds available	13,957			
Accounts payable	2,369,857	369,939		32,331
Accrued salaries	798,145		6,037	47,869
Unearned revenue	356,710	2,271,105		1,486,866
Accrued interest payable				141,720
Amounts due within one year:				
General obligation notes payable	964,205			
Accrued compensated absences	89,504			
Early retirement incentive payable	602,712			
Revenue bonds payable				1,735,000
Amounts due in more than one year:				
Accrued compensated absences	805,540			
Early retirement incentive payable	1,075,620			
Revenue bonds payable				6,934,983
Total liabilities	7,076,250	2,641,044	6,037	10,378,769
Net Assets				
Invested in capital assets, net of related debt	26,844,685		417,650	16,348,013
Restricted:				
Capital projects	91,352			2,048,414
Unrestricted	34,537,452	2,130,808	3,801,346	30,985
Total net assets	\$ 61,473,489	2,130,808	4,218,996	18,427,412

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF ACTIVITIES
Year ended November 30, 2008

Functions	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Primary	Component Units		
				Governmental Activities	Macon County Mental Health Board	Macon County ETSB	Decatur Public Building Commission
Primary Government:							
Governmental activities:							
General control and administration	\$ 9,160,744	2,354,360	868,761	(5,937,623)			
Public safety	14,054,775	1,581,616	529,122	(11,944,037)			
Judiciary and court-related	9,115,238	2,637,566	1,614,503	(4,863,169)			
Public health and welfare	11,497,511	761,205	8,311,840	(2,424,466)			
Transportation	6,962,170		3,413,140	(3,549,030)			
Interest on long-term debt	50,442			(50,442)			
Total primary government	50,840,880	7,334,747	14,737,366	(28,768,767)	-		
Component Units:							
Governmental activities:							
Macon County Mental Health Board	3,500,239	118,760	1,053,067		(2,328,412)		
Macon County Emergency Telephone System Board (ETSB)	842,513					(842,513)	
Business-type activities:							
Decatur Public Building Commission	4,474,646	5,400,894	14,135				940,383
Total component units	\$ 8,817,398	5,519,654	1,067,202		(2,328,412)	(842,513)	940,383
General Revenues:							
Property taxes				15,759,831	2,178,919		
Sales tax				6,010,009			
Income and replacement tax				2,522,896			
Telephone surcharge						1,091,000	
Investment income				700,547	118,184	120,456	94,011
Miscellaneous				1,902,412	40,478	204,729	163
Total general revenues				26,895,695	2,337,581	1,416,185	94,174
Change in net assets				(1,873,072)	9,169	573,672	1,034,557
Net assets, beginning, as restated				63,346,561	2,121,639	3,645,324	17,392,855
Net assets, ending				\$ 61,473,489	2,130,808	4,218,996	18,427,412

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2008

	General Corporate Fund	Illinois Municipal Retirement Fund	County Health Fund	County Highway Fund	Federal Aid Matching Fund	County Motor Fuel Tax	Multi-Facility Lease Fund	Other Governmental Funds	Total Governmental Funds
Assets									
Cash	\$ 2,087,561	1,689,774	617,281	1,723,498	1,488,904	831,652	2,682,179	10,798,992	21,919,841
Investments, at cost	4,991,088	4,676		3,786	6,369	1,748,229		2,222,092	8,976,240
Taxes receivable, net of allowance or uncollectibles	127,694	76,026	49,682	45,973	14,673		168,876	76,409	559,333
Accounts receivable	64,936		148,123					10,914	223,973
Inventory	12,608		150,872	374,847					538,327
Due from governmental agencies:									
State of Illinois	1,594,686		895,402		135,869	122,998		727,679	3,476,634
Other governmental agencies	111,959						775,269	64,530	951,758
Prepaid items	59,565			3,558			3,707,522	10,886	3,781,531
Restricted cash	240,836								240,836
Due from other funds	526,661	9,488	341,035	18,380		32,589	167,533	302,880	1,398,566
Total assets	9,817,594	1,779,964	2,202,395	2,170,042	1,645,815	2,735,468	7,501,379	14,214,382	42,067,039
Liabilities									
Cash drawn in excess of funds available								13,957	13,957
Accounts payable	275,763	570,111	39,261	60,472	123,240	469,932		470,021	2,008,800
Accrued salaries	510,209		137,444	39,905				110,433	797,991
Deferred revenue	116,977		8,352			51,200		180,181	356,710
Due to other funds	360,306	578	20,633	6,069				955,580	1,343,166
Total liabilities	1,263,255	570,689	205,690	106,446	123,240	521,132	-	1,730,172	4,520,624
Fund Balances									
Reserved	301,915		150,872	518,402			3,707,522	576,326	5,255,037
Unreserved, reported in:									
General Fund:									
Designated	2,500,000								2,500,000
Undesignated	5,752,424								5,752,424
Special revenue funds:									
Designated								355,016	355,016
Undesignated		1,209,275	1,845,833	1,545,194	1,522,575	2,214,336	3,793,857	11,461,516	23,592,586
Capital project funds								91,352	91,352
Total fund balances	8,554,339	1,209,275	1,996,705	2,063,596	1,522,575	2,214,336	7,501,379	12,484,210	37,546,415
Total liabilities and fund balances	\$ 9,817,594	1,779,964	2,202,395	2,170,042	1,645,815	2,735,468	7,501,379	14,214,382	42,067,039

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
November 30, 2008

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balances - total governmental funds	\$ 37,546,415
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	27,808,890
Internal service funds are used to pay for the costs of certain activities, such as insurance and leasing. The assets and liabilities of the internal service funds is included in governmental activities in the statement of net assets.	(344,235)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Compensated absences liability	(895,044)
General obligation notes payable	(964,205)
Early Retirement Incentive Liability	<u>(1,678,332)</u>
Net assets of governmental activities	<u>\$ 61,473,489</u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS

Year ended November 30, 2008

	General Corporate Fund	Illinois Municipal Retirement Fund	County Health Fund	County Highway Fund	Federal Aid Matching Fund	County Motor Fuel Tax	Multi-Facility Lease Fund	Other Governmental Funds	Total Governmental Funds
Revenues:									
Taxes	\$ 9,573,833	2,138,168	1,399,052	1,292,881	412,709		4,749,411	4,726,682	24,292,736
Intergovernmental	2,248,050		3,959,666	584,537	197,621	2,276,736	768,166	5,018,368	15,053,144
Fines, fees, forfeitures	4,068,250		373,794					2,201,464	6,643,508
Licenses and permits	110,004		131,618						241,622
Interest on investments	182,004	27,020	32,012	35,204	24,632	45,961	64,840	288,015	699,688
Miscellaneous	1,666,134		24,486	94,962		15,133	17,900	186,576	2,005,191
Total revenues	17,848,275	2,165,188	5,920,628	2,007,584	634,962	2,337,830	5,600,317	12,421,105	48,935,889
Expenditures:									
Current:									
General control and administration	3,588,757	1,768,392					1,190,399	2,178,018	8,725,566
Public safety	6,321,234	78,370					3,093,148	3,711,561	13,204,313
Judiciary and court-related	6,257,298	261,376					1,485,619	429,020	8,433,313
Public health and welfare	156,068		6,099,669					4,655,865	10,911,602
Transportation				1,144,606	415,249	1,351,099		568,942	3,479,896
Capital outlay	198,703		78,334	445,395		1,138,479		471,020	2,331,931
Debt service:									
Principal			87,797						87,797
Interest			50,442						50,442
Total expenditures	16,522,060	2,108,138	6,316,242	1,590,001	415,249	2,489,578	5,769,166	12,014,426	47,224,860
Excess (deficiency) of revenues over (under) expenditures	1,326,215	57,050	(395,614)	417,583	219,713	(151,748)	(168,849)	406,679	1,711,029
Other financing sources (uses):									
Transfers in	439,806		115,620	183,346					738,772
Transfers out			(90,000)	(61,250)		(183,346)		(554,176)	(888,772)
Total other financing sources (uses)	439,806	-	25,620	122,096	-	(183,346)	-	(554,176)	(150,000)
Net change in fund balances	1,766,021	57,050	(369,994)	539,679	219,713	(335,094)	(168,849)	(147,497)	1,561,029
Fund balances, beginning of year, as restated	6,788,318	1,152,225	2,366,699	1,523,917	1,302,862	2,549,430	7,670,228	12,631,707	35,985,386
Fund balances, end of year	\$ 8,554,339	1,209,275	1,996,705	2,063,596	1,522,575	2,214,336	7,501,379	12,484,210	37,546,415

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

Year ended November 30, 2008

Net change in fund balances - total governmental funds			\$ 1,561,029
Amounts reported for governmental activities in the statement of activities are different because:			
Internal service funds are used to pay for the costs of certain activities, such as insurance and leasing. The net revenue of the internal service funds is reported with governmental activities in the statement of activities.			
			4,532
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:			
Capital outlay		\$ 845,907	
Depreciation		<u>(2,443,420)</u>	
Excess of depreciation over capital outlay expense			(1,597,513)
Loss on capital asset disposition			(281,854)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt.			
			87,797
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds:			
Compensated absences payable change		31,269	
Early retirement incentive liability change		<u>(1,678,332)</u>	
			<u>(1,647,063)</u>
Change in net assets of governmental activities			<u><u>\$(1,873,072)</u></u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

November 30, 2008

	Governmental Activities Internal Service Fund
<hr/>	
ASSETS	
Cash	\$ 43,027
Investments	201
Accounts receivable	<u>29,148</u>
Total assets	<u>72,376</u>
LIABILITIES	
Accounts payable	35,362
Claims payable - workers compensation	189,193
Claims payable - liability	136,502
Accrued salaries	154
Due to other funds	<u>55,400</u>
Total liabilities	<u>416,611</u>
NET ASSETS	
Unreserved	<u>(344,235)</u>
Total net assets	<u><u>\$ (344,235)</u></u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
Year ended November 30, 2008

	Governmental Activities Internal Service Fund
Operating revenue:	
Miscellaneous	\$ 31,060
Operating expenses:	
Salaries	14,176
Claim payments	92,597
Contingency for claim loss	70,614
Total operating expenses	177,387
Operating income (loss)	(146,327)
Nonoperating revenue (expenses):	
Interest on investments	859
Income (loss) before transfers	(145,468)
Transfers in	150,000
Change in net assets	4,532
Net assets (deficit), beginning of year	(348,767)
Net assets (deficit), end of year	\$ (344,235)

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year ended November 30, 2008

	Governmental Activities Internal Service Fund
<hr/>	
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from user departments and participants	\$ 57,962
Cash paid to employees for services	(14,184)
Cash paid for claims	(161,479)
	<hr/>
Net cash flows from operating activities	(117,701)
	<hr/>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES	
Net transfers	150,000
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	859
Net investment transactions	(5)
	<hr/>
Net cash flows from investing activities	854
	<hr/>
Net increase in cash and cash equivalents	33,153
Cash and cash equivalents, beginning of year	9,874
	<hr/>
Cash and cash equivalents, end of year	<u>43,027</u>
	<hr/>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	(146,327)
Adjustments to reconcile operating loss to net cash flows from operating activities:	
(Increase) decrease in due from other funds	67,053
(Increase) decrease in accounts receivable	(29,148)
Increase (decrease) in accounts payable	26,190
Increase (decrease) in accrued salaries	(8)
Increase (decrease) in claims payable	(24,458)
Increase (decrease) in due to other funds	(11,003)
	<hr/>
Net cash flows from operating activities	\$ (117,701)
	<hr/>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

**STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
November 30, 2008**

Assets

Cash	\$ 8,541,241
Investments	836,224
Accrued interest	3,674
Due from State of Illinois - allotment	<u>67,808</u>
Total assets	<u><u>9,448,947</u></u>

Liabilities

Due to other governmental agencies	1,801,126
Accounts payable	40,056
Deposits payable	2,094,792
Due to taxing districts	5,398,225
Due to tax buyers	<u>114,748</u>
Total liabilities	<u><u>\$ 9,448,947</u></u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

November 30, 2008

Note 1 - Summary of Significant Accounting Policies

Macon County is a municipal corporation governed by an elected twenty-one member board. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Circuit Clerk, County Clerk, Coroner, Recorder, Sheriff, State's Attorney and Treasurer. Although elected officials manage the internal operations of their respective departments, the County Board authorizes expenditures as well as serves as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

The financial statements of Macon County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the County's accounting policies.

The Financial Reporting Entity: As required by generally accepted accounting principles, these financial statements present the County (the primary government) and its component units. The County's financial statements include all funds, departments, boards and agencies that are not legally separate from the County. The component units are included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

Blended Component Unit - The Macon County Community Health Foundation is a nonprofit organization established to enhance the provision of customary public health practices. The Foundation provides support to, and receives support from, the Macon County Health Department. Although it is a separate legal entity from the County, the Foundation is reported as if it were part of the primary government because its sole purpose is to support the operations of the Macon County Health Department and its constituency.

The following discretely presented component units are reported in separate columns in the basic financial statements to emphasize that they are legally separate from the County.

The Macon County Mental Health Board (708 Board) is a special unit of local County government, operating under the Community Mental Health Act, Chapter 405 ILCS, Section 20/01 et seq. of the Illinois Compiled Statutes (ILCS). The 708 Board is funded through Macon County property taxes and various other local and state agencies, and distributes funds to various local nonprofit agencies that deal with the developmentally disabled and mentally ill. All members of the 708 Board are appointed by the Macon County Board. The Macon County Board approves the 708 Board's annual budget, and also has the authority to determine its tax levy. As such, the County has significant influence over the 708 Board and has included the organization in the reporting entity. The 708 Board's year-end for financial reporting purposes is June 30, which differs from the County. The 708 Board's June 30, 2008, financial statements are included herein.

Complete financial statements for the Macon County Mental Health Board can be obtained at 132 South Water Street, Decatur, Illinois 62523.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

The Financial Reporting Entity, continued:

The Macon County Emergency Telephone System Board (ETSB) is a special unit of local County government, operating under the Emergency Telephone System Act, Chapter 50 ILCS, Section 750/15.4 et seq. of the Illinois Compiled Statutes (ILCS). The ETSB is funded through telephone surcharges and distributes funds to plan, coordinate, and supervise the implementation of an enhanced 9-1-1 system. All members of the ETSB are appointed by the Macon County Board. The Macon County Board may at any time change the rate of the surcharge imposed as long as the new rate does not exceed the rate specified in the referendum. As such, the County has significant influence over the ETSB and has included the organization in the reporting entity. The ETSB's year end for financial reporting purposes is November 30, 2008, the same as the County. The ETSB's November 30, 2008, financial statements are included herein.

Complete financial statements for the Macon County Emergency Telephone System Board can be obtained at 141 South Main Street, Suite 810, Decatur, Illinois 62523.

The Decatur Public Building Commission (DPBC) is a municipal corporation created under the provisions of the Public Building Commission Act of the State of Illinois. The purpose of the DPBC is to acquire or construct facilities for participating governments and to issue bonded debt to finance the acquisition or construction of such facilities. The City of Decatur organized the DPBC along with the County, and together, they appoint the five-member governing board of the DPBC. The DPBC is financially dependent on the County because the debt issued by the DPBC is paid almost entirely by the County in the form of lease payments for County facilities. As such, the County has significant influence over the DPBC and has included the organization in the reporting entity. The DPBC's year end for financial reporting purposes is November 30, 2008, the same as the County. The DPBC's November 30, 2008, financial statements are included herein.

Complete financial statements for the DPBC can be obtained from the DPBC's administrative office at 141 South Main Street, Suite 808, Decatur, Illinois 62523.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Related Organizations: The County's officials are also responsible for appointing members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County Board appoints board members of all Fire Protection Districts in Macon County, all Drainage Districts in Macon County, Macon County Conservation District, and the Macon County Mosquito Abatement District.

In addition, several legally separate tax exempt organizations have been established to benefit the County and others. These organizations include the Decatur and Macon County Animal Shelter Foundation, the Macon County Historical Society, and Friends of the Macon County Child Advocacy Center.

Basis of Presentation: The County's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements: The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government and its component units, except for fiduciary funds.

The statement of net assets presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the County.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

Fund Financial Statements: During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental fund financial statements is on major governmental funds, each presented in a separate column. All remaining governmental funds are aggregated and presented in a single column and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Fund Accounting: The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds: Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General Fund - The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose, provided it is expended or transferred according to the general laws of Illinois.

Illinois Municipal Retirement Fund - The Illinois Municipal Retirement Fund accounts for revenue, including property tax levies, contributions from employees and charges to other funds, and expenditures to the state administered retirement system for all general service employees.

County Health Fund - The County Health Fund accounts for a county-wide property tax levy and federal and state grants for operating the Macon County Health Department, and the costs of services provided to the public through the department.

County Highway Fund - The County Highway Fund accounts for a county-wide property tax levy for County highway maintenance, as well as federal and state grants and subsidies, and expenditures for the purpose of highway improvements and maintenance.

Federal Aid Matching Fund - The Federal Aid Matching Fund accounts for revenue, including project refunds from the State of Illinois, and property tax levies, and expenditures for the County's share of highway improvements.

County Motor Fuel Tax Fund - The Motor Fuel Tax Fund accounts for revenue, including the County's Motor Fuel tax allotment from the State of Illinois, and expenditures for the purpose of maintenance patrols and payments to the County Highway Fund.

Multi-Facility Lease Fund - The Multi-Facility Lease Fund accounts for property tax revenue and annual lease payments and maintenance expenditures to the Decatur Public Building Commission for the Macon County Office Building, Courts Facility, Law Enforcement Center and Animal Control Facility.

The other governmental funds of the County account for county-wide property tax levies, grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt; and the acquisition or construction of major capital facilities.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Fund Accounting, continued:

Proprietary Funds: Proprietary Funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on determination of operating income, financial position, changes in net assets and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The County's proprietary fund types consist only of one internal service fund. The Internal Service Fund accounts for the financing of goods or services provided by one department to other departments or agencies of the County. The County established the Self Insurance Fund for the purpose of providing for the accumulation of funds to fund the County's self-funded workmen's compensation liability insurance. This internal service fund derives its funding from periodic transfers from the Insurance Liability Fund and not from any cost reimbursements from other funds. This funding is then used to pay claims when the need arises. The Internal Service Fund is included in governmental activities for government-wide reporting purposes.

Fiduciary Funds: The County's fiduciary fund types consist only of Agency Funds, which are custodial in nature and do not involve the measurement of operations. The County's Agency Funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for property taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions. Agency Funds use the accrual basis of accounting.

Measurement Focus:

Government-wide Financial Statements: The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets.

Fund Financial Statements: All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Basis of Accounting: Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting, and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Discretely Presented Component Units: Each component unit financial statement included herein is prepared using the accrual basis of accounting except the Macon County ETSB which has been prepared in accordance with the modified cash basis of accounting.

Revenues - Exchange and Nonexchange Transactions: Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty (60) days after year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, income taxes and state-levied locally shared taxes. All other revenue items are considered to be measureable and available only when cash is received.

Deferred Revenues: Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Expenses/Expenditures: On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Basis of Accounting, continued:

Decatur Public Building Commission - Operating Revenues and Expenses: Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the Commission. Operating revenues consist primarily of rental charges. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities, if any.

Cash and Cash Equivalents/Investments: All deposits of the County are made in board designated official depositories and are secured as required by the Public Funds Investment Act. The County may designate, as an official depository, any bank insured by the Federal Deposit Insurance Corporation or credit union with the principal office located within the State of Illinois. Also, the County may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. The County maintains separate bank accounts for each individual fund.

Investments consist of interest-bearing deposits invested in the Illinois Funds Money Market and Prime Funds and certificates of deposit and are stated at cost, which equals market. The County maintains separate investment accounts for each individual fund.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the County's proprietary fund considers all highly liquid investments (including restricted assets) with a maturity of three (3) months or less when purchased to be cash equivalents.

Restricted Assets: Restricted cash in the General Fund is cash set aside for the payment of expenses related to the child support maintenance program operated by the Macon County Circuit Clerk, the commissary operated at the jail by the Macon County Sheriff, and a marriage account held for judicial expenditures.

Inventories and Prepaid Items: Inventories of consumable supplies are recorded at cost (determined on a first-in, first-out basis). Inventory in the General Fund and governmental activities consists of expendable supplies held for consumption. The costs are reported as expenditures when consumed. Reported inventories are equally offset by a reservation in fund balance. Inventory recorded as an asset at year end consists of unused commodities (vaccines) received through grant programs, office supplies, and parts and operating materials.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The County has adopted the consumption method of accounting for prepaid items. That is, the asset is recorded when the payment to vendors are made, and the expenses are amortized in the appropriate accounting period.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Capital Assets: General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

Primary Government: Capital assets purchased or acquired with an original cost of at least \$ 5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at their fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

All capital assets are depreciated, except for land and improvements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	25 years
Vehicles	5-10 years
Furniture and fixtures	5 years
Technology and equipment	3 years
Infrastructure	25 years

Decatur Public Building Commission: Capital assets of proprietary funds are stated at cost. The cost of property additions and major replacements of retired units of property is capitalized. Interest on funds used during construction of major projects has not been capitalized.

Assets capitalized have an original cost of \$ 500 or more and over ten years of useful life. Depreciation is computed on the straight-line basis. The estimated useful lives used to compute depreciation are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Parking lot	10 years
Law Enforcement Center	5-40 years
Macon County Office Building	10-40 years
Equipment	3-10 years

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Interfund Activity: Interfund activity is reported as either loans, services provided, reimbursements or transfers. On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables/Payables." Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers which are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in enterprise funds. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only interfund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected as "Internal Balances."

Transactions Between Funds: The County allocates to the Special Revenue Funds an indirect cost amount of the salaries and wages and related costs of personnel who perform administrative services for those funds but are paid through the General Fund along with other indirect costs deemed necessary for their operations. During the year ended November 30, 2008, the County allocated \$ 321,806 for such services.

Compensated Absences: Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered, and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

County employees receive vacation and sick pay in varying amounts based upon their employment anniversary dates and the bargaining unit to which they are a part. Deputies' and correctional officers' unused sick leave is utilized according to IMRF regulations to extend retirement benefits when a deputy or correctional officer dies or retires. The employee, or employee's beneficiary in case of death, may elect to receive a sick leave buy-out payment at the rate of 50 percent of the employee's accumulated sick leave up to a maximum of 60 days, or 120 days for employees hired before 1994. The County pays no accumulated sick leave to any other employees upon termination.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. The County does not set aside funds in its current budget to fund liabilities incurred during the period. Rather, the County funds compensated absences on a "pay-as-you-go" basis. The noncurrent portion of the liability is not reported.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Compensated Absences, continued:

Macon County Emergency Telephone System Board: The Board does not accrue compensatory time for employees. Sick and vacation time must be used in the year earned.

Decatur Public Building Commission: Employees can earn three weeks vacation, three floating holidays, one personal day and six sick days per year. However, sick days do not accrue, as they are not paid when leaving employment. The accrual for compensated absences was \$ 28,019 at November 30, 2008.

Accrued Liabilities and Long-Term Obligations: All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, compensated absences and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are recognized as a liability on the fund financial statements when due.

Net Assets: Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Use of Estimates: The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Governmental Fund Balance Reserves: The County reserves those portions of governmental fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, inventory, debt service, restricted cash, prepaid expenditures, disaster contingency, investment and noncurrent debt.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 1 - Summary of Significant Accounting Policies, continued

Governmental Fund Balance Reserves, continued:

Decatur Public Building Commission - Bond Discount/Issuance Costs: Issuance costs and discounts arising as the result of the issuance of bonds are deferred and amortized over the terms of the respective issues using the straight-line method. Discounts are presented as a reduction of the face amount of the underlying debt whereas issuance costs are recorded as deferred charges.

Macon County Mental Health Board - Related Parties: Woodford Homes, Inc., a related party through common management, pays a management fee to the Board for administrative services rendered. The fee was \$ 95,481 for the year ended June 30, 2008.

Note 2 - Deposits and Investments

Illinois Compiled statutes authorize the County to invest in obligations of the U.S. Treasury or its agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements (subject to limitations), commercial paper rated within the three highest classifications by at least two standard rating services, money market mutual funds and the Illinois Funds.

Deposits - Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of November 30, 2008, all of the County's bank balance of \$ 37,024,220 (including certificates of deposit, checking, and savings accounts) was fully insured and collateralized. The County evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with an acceptable estimated risk level are used as depositories.

Decatur Public Building Commission: At November 30, 2008, the carrying amount of the DPBC's cash deposits totaled \$ 3,472,600 including restricted cash of \$ 2,048,413. The bank balance at November 30, 2008, totaled \$ 3,784,126, all of which was insured by federally depository insurance or collateralized by securities held by a financial institution's trust department or agent in the Commission's name. The Commission's deposits are not subject to custodial credit risk.

Macon County Emergency Telephone System Board: At November 30, 2008, all ETSB's cash accounts and investments are covered by federal insurance or collateralized by the pledging financial institution's trust department or agent in favor of the Board except for the amount invested in the Illinois Funds Money Market Fund. For the Illinois Fund, all deposits are collateralized by the fund over the FDIC insurance amount. However, they are not pledged specifically to the Board since it is an investment pool.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 2 - Deposits and Investments, continued

Deposits - Custodial Credit Risk, continued:

Macon County Mental Health Board: As of November 30, 2008, the Board had the following cash and investments:

Demand deposit	\$ 68,466
Pooled investment	2,987,612
Certificate of deposit	<u>751,305</u>
	<u>\$ 3,807,383</u>

At June 30, 2008, none of the Macon County Mental Health Board's bank balances of \$ 2,153,239 were exposed to custodial credit risk.

Investments: The County invests in the Illinois Funds Money Market Fund and Prime Fund external investment pools which consist of monies invested by individual participants that are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. For purposes of overall credit risk, the funds are rated AAAM by Standard and Poor's. The individual participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral; therefore, no collateral is identified with each individual participant's account.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments (or related collateral securities that are held by an outside party). The County does not have a policy for custodial credit risk. At year end, none of the County's investments were subject to custodial credit risk due to the fact that investments were part of an insured pool.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy to limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the County minimizes the risk by investing operating funds primarily in short-term securities or similar investment pools in order to meet cash requirements for ongoing operations. The Illinois Funds investment pool had a weighted average maturity of 20-28 days.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 2 - Deposits and Investments, continued

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. All of the County's investments are in certificates of deposit and external investment pools.

The composition of the County's cash, cash equivalents and investments, including restricted cash and investments, on November 30, 2008, was as follows:

	Primary Government	Component Units		
		708 Board	ETSB	DPBC
Cash on hand	\$ 10,225			200
Deposits in banks	30,720,760	2,028,903	68,466	3,472,600
Certificates of deposit	2,186,789		751,305	
Illinois Funds Money Market Fund	5,022,960		2,987,612	
Illinois Funds Prime Fund	2,602,919			
Corporate stock		28,540		

The County's cash, cash equivalents and investments for the primary government at November 30, 2008, are reported as:

	Governmental Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 21,962,868	8,541,241	30,504,109
Investments	8,976,441	836,224	9,812,665
Restricted cash	240,836		240,836
Cash drawn in excess of funds available	(13,957)		(13,957)

Restricted Cash and Investments: Cash and investments of \$ 240,836 are restricted by state statute, or for specific purposes as follows:

Major governmental - General Fund:	
Circuit Clerk Separate Maintenance	\$ 217,800
Jail Commissary	10,490
Judiciary expenditures	492
Child Support Held in Trust	12,054
	<u>\$ 240,836</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 3 - Property Taxes

The County's property tax is levied on January 1 of each year on all taxable real property located in the County. Real property tax revenue received in 2008 represents collection of the 2007 taxes. Real property taxes for the 2008 levy will be collected in and are intended to finance 2009 operations.

Macon County property is assessed as of January 1 of each year by the Township Assessors. The values are adjusted by various percentages according to the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state. The Macon County Clerk computes the annual tax rate by dividing the requested levy into the equalized value of each taxing unit. The Clerk then computes the tax for each parcel by multiplying the aggregate rates of all the taxing units having jurisdiction over the parcel by the equalized value. The tax amounts by parcel are forwarded to the Macon County Collector and used as a basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the Macon County Collector who periodically remits to each taxing unit its respective share of the collections. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds. Taxes levied in one year become due and payable in two installments during the following year. The first installment is due no later than June 1 and the second installment is due no later than September 1. A lien on taxable real property is effective thirty (30) days after the second installment due date.

The following are the taxes levied per \$ 100 of assessed valuation.

	Maximum Rate	2007 Levy
General Corporate	.2500	.23858
County Highway	.1000	.08524
Bridge Fund	.0500	.03207
Illinois Municipal Retirement		.14097
Federal Aid Matching	.0500	.02721
Historical Museum	.0020	.00200
County Health Department	.1070	.09206
Insurance Liability		.00656
Veterans' Assistance Commission	.0300	.00525
Mental Health (708 Board)	.1500	.13973
Judgment Repayment Fund		.01640
DPBC Lease Fund		.31313
Social Security		.07940
Macon County Cooperative Extension	.0500	.02459
		<u>1.20319</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 4 - Permissive Sales and Use Tax

In 2003, the County Board, by resolution approved by the electors, imposed a one quarter of one percent (.25%) tax on all retail sales made in the County. Revenue from this tax is to be used exclusively for public safety purposes. The County Board established how the sales tax proceeds would be allocated to the various public safety-related departments and activities.

Vendor collections of the tax are paid to the State Treasurer by the twentieth day of the month following collection. The State Comptroller then determines the amount of the taxes to be returned to the County. A receivable is recognized at year end for amounts that will be received from sales which occurred prior to December 1, 2008.

Note 5 - Receivables

Receivables at November 30, 2008 consisted of accounts (billings for user charged services), sales taxes, accrued interest, grants, entitlements, shared revenues, interfunds, and property taxes. All amounts due from other governments are considered collectible in full.

Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonably systematic method of determining their existence, completeness, valuation, and collectibility.

A summary of the principal amounts due is as follows:

<u>Fund Type/Fund</u>	<u>Description</u>	<u>Amount</u>
General Fund	Taxes	\$ 1,082,212
	Grants	135,967
	State salary subsidies	504,201
	Municipal contract	111,959
	Other receivables	<u>64,936</u>
Total General Fund		<u>1,899,275</u>
Special Revenue Funds	Taxes	857,540
	Grants	1,456,046
	Local governments	839,799
	Other receivables	<u>159,038</u>
Total Special Revenue Funds		<u>3,312,423</u>
Total		<u><u>\$ 5,211,698</u></u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 5 - Receivables, continued

Macon County Mental Health Board - Note Receivable: The note receivable of \$ 263,206 represents a 25-year contract for deed with monthly payments including interest at 4.75%.

Note 6 - Inventories

Physical inventories of goods on hand were taken as of November 30, 2008. Inventories on hand, stated at cost or average cost at November 30, 2008, are as follows:

General Fund:

Consumable supplies	<u>\$ 12,608</u>
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Health Fund:

Vaccines - purchased	19,297
Vaccines - donated through state grant program	<u>131,575</u>

Total	<u>\$ 150,872</u>
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Highway Fund:

Consumable supplies	348,091
Fuel	<u>26,756</u>

Total	<u>\$ 374,847</u>
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MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 7 - Interfund Receivables and Payables and Transfers

Interfund receivables and payables at November 30, 2008, resulted from transactions between funds.

These transactions result from the time lag between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made, as follows:

	Interfund Receivable	Interfund Payable
General Corporate Fund:		
County Health	\$ 20,633	38,529
Internal Service Fund	55,400	
Highway	6,069	18,380
Motor Fuel Tax		32,589
Multi-facility Lease		167,533
Nonmajor governmental funds	444,559	103,275
Multi-facility Lease Fund:		
General	167,533	
County Health:		
General	38,529	20,633
Retirement	578	
Nonmajor governmental funds	301,928	
Highway:		
General	18,380	6,069
Motor Fuel Tax:		
Nonmajor government funds	32,589	
Retirement:		
Health		578
Nonmajor government funds	9,488	
Internal Service Funds:		
General		55,400
Nonmajor governmental funds	302,880	955,580
	\$ 1,398,566	1,398,566

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 7 - Interfund Receivables and Payables and Transfers, continued

	Transfers Out	Transfers In
General Corporate Fund:		
County Health	\$	90,000
Highway		61,250
Nonmajor governmental funds		288,556
Health Department:		
General	90,000	
Nonmajor governmental funds		115,620
Highway:		
General	61,250	
Motor Fuel Tax		183,346
Motor Fuel Tax:		
Highway	183,346	
Internal Service Fund:		
Nonmajor governmental funds		150,000
Nonmajor governmental funds	554,176	
	<u>\$ 888,772</u>	<u>888,772</u>

Transfers were made to the General Fund from other funds to offset administrative costs expenditures in the amount of \$ 321,806. An additional \$ 118,000 was transferred from the Probation and Court Services Fund to the General Fund in order to support the operations of the Probation Department.

The Motor Fuel Tax Fund transferred \$ 183,346 to the County Highway Fund to offset the cost of using County-owned equipment for the annual required maintenance of roads within the County.

The Liability Insurance Fund transferred \$ 150,000 to the Self Insurance Fund to provide resources for the payment of workmen's compensation insurance claims under the County's self insurance program.

Transfers totaling \$ 115,620 were made to the County Health Fund from the Women, Infants and Children Grant Fund and the Home Modification Fund to allocate overhead costs of the Health Department to those programs.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 8 - Capital Assets

Capital asset activity for the year ended November 30, 2008, was as follows:

	Balance December 1, 2007	Additions	Deletions	Balance November 30, 2008
Primary government governmental activities:				
Nondepreciable capital assets:				
Land and improvements	\$ 196,809		105,000	91,809
Total nondepreciable capital assets	196,809	-	105,000	91,809
Depreciable capital assets:				
Buildings and building improvements	10,154,271	12,564	186,275	9,980,560
Vehicles	3,168,685	591,984	627,173	3,133,496
Furniture and fixtures	98,415			98,415
Technology and equipment	2,754,094	241,360		2,995,454
Infrastructure	37,565,262			37,565,262
Total depreciable capital assets	53,740,727	845,908	813,448	53,773,187
Less accumulated depreciation for:				
Buildings and building improvements	7,402,728	168,355	186,275	7,384,808
Vehicles	2,009,625	391,280	450,318	1,950,587
Furniture and fixtures	61,548	18,649		80,197
Technology and equipment	2,110,716	367,424		2,478,140
Infrastructure	12,664,662	1,497,712		14,162,374
Total accumulated depreciation	24,249,279	2,443,420	636,593	26,056,106
Total depreciable assets, net	29,491,448	(1,597,512)	176,855	27,717,081
Governmental activities capital assets, net	\$ 29,688,257	(1,597,512)	281,855	27,808,890

Depreciation expense for the year ended November 30, 2008 was charged to governmental functions as follows:

Governmental activities:	
General government	\$ 232,861
Judicially and court related	20,655
Public safety	177,475
Transportation	1,887,791
Public health and welfare	124,638
Total depreciation expense - governmental activities	\$ 2,443,420

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 8 - Capital Assets, continued

Decatur Public Building Commission: Capital asset activity for the year ended November 30, 2008 was as follows:

	Balance December 1, 2007	Additions	Disposals	Balance November 30, 2008
Non-depreciable capital assets:				
Land	\$ 1,049,447			1,049,447
Construction in process		116,340		116,340
Total non-depreciable capital assets	1,049,447	116,340	-	1,165,787
Depreciable capital assets:				
Parking lot	256,366			256,366
Law Enforcement Center	20,770,330	225,617		20,995,947
Macon County Office Building/ Court Facility	14,840,589	40,582	62,768	14,818,403
Vehicles	76,785	19,704	19,154	77,335
Equipment and furnishings	2,925,436	53,805	575,845	2,403,396
Animal Control	2,434,988	36,677		2,471,665
Total depreciable capital assets	41,304,494	376,385	657,767	41,023,112
Less accumulated depreciation for:				
Parking lot	256,366			256,366
Law Enforcement Center	8,443,420	547,676		8,991,096
Macon County Office Building/ Court Facility	5,377,869	397,387	62,591	5,712,665
Vehicles	62,728	2,290	19,154	45,864
Equipment and furnishings	2,481,483	87,508	572,899	1,996,092
Animal Control	102,721	66,099		168,820
Total accumulated depreciation	16,724,587	1,100,960	654,644	17,170,903
Total depreciable assets, net	24,579,907	(724,575)	3,123	23,852,209
Total capital assets, net	\$ 25,629,354	(608,235)	3,123	25,017,996

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 8 - Capital Assets, continued

Macon County Emergency Telephone System Board: Capital assets activity for the year ended November 30, 2008 was:

	Balance November 30, 2007	Additions	Deletions	Balance November 30, 2008
Furniture and fixtures	\$ 1,332,112	291,746		1,623,858
Less accumulated depreciation	1,060,382	145,826		1,206,208
Capital assets, net	\$ 271,730	145,920	-	417,650

Note 9 - Long-Term Debt

The following is a summary of changes in the County's long-term obligations for the year ended November 30, 2008:

	Balance November 30, 2007	Additions	Reductions	Balance November 30, 2008	Amount Due In One Year
Governmental activities:					
General obligation debt	\$ 1,052,002		87,797	964,205	964,205
Compensated absences	926,313	1,348,815	1,380,084	895,044	89,504
Termination benefits		2,018,078	339,746	1,678,332	602,712
Total governmental activities	\$ 1,978,315	3,366,893	1,807,627	3,537,581	

Compensated Absences: The County has recorded a liability of \$ 895,044 for accumulated vacation and sick leave benefits. These benefits are not expected to be paid from current available resources. The liability will be liquidated from the general and special revenue funds of the County.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 9 - Long-Term Debt, continued

Termination Benefits: On September 13, 2007, Macon County authorized an early retirement incentive (ERI) program for employees who are members of the Illinois Municipal Retirement Fund (IMRF). The County's ERI program was open to eligible employees from October 1, 2007 through October 1, 2008 and 19 employees opted for early retirement during this period. The IMRF calculated an ERI liability for the County as of December 31, 2008 of \$ 2,018,078. At that time, IMRF accrued interest on the ERI liability at a rate of 7.5%, its assumed rate of return for investments and for discounting future annuity payments. The County used its reserves in the Retirement Fund to pay \$ 339,746 of the ERI liability to IMRF in order to realize a savings of \$ 155,214, which is based on the overall yield 7.5%. The remaining \$ 1,678,332 has been recorded as a liability in the accompanying Statement of Net Assets and as additional expenses in the accompanying Statement of Activities.

The general obligation debt at November 30, 2008, is comprised of the following:

\$ 1,260,875 note payable due November 1, 2009. Monthly payments of \$ 7,874 are due beginning December 1, 2003, including interest at 4.35%.

Principal and interest to be serviced by the general revenue of the County.

The note is secured by a mortgage on the Health Department Building.

\$ 964,205

The Illinois Compiled Statutes provide that the net general obligation debt of the County, exclusive of certain exempt debt, should not exceed 2.875 percent of the total assessed valuation of the County. The effect of the debt limitations described above is an overall debt margin of \$ 43,849,997 at November 30, 2008.

Annual debt service requirements to maturity for the general obligation note are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	<u>\$ 964,205</u>	<u>37,565</u>	<u>1,001,770</u>

The County intends to refinance the mortgage during 2009; however, no formal agreement has been established at this time.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 9 - Long-Term Debt, continued

Decatur Public Building Commission - Public Building Revenue Bonds: On July 31, 1997, the Commission issued \$ 9,705,000 in Public Building Revenue Bonds. The bonds bear interest at varying fixed rates increasing with the length of maturity from 4.15% to 5.40%.

On June 2, 2005, in connection with the issuance of the 2005 General Obligation Lease Revenue Bonds, \$ 3,585,000 of the 1997 bonds were advance refunded. The Commission used \$ 3,676,650 of the 2005 bond proceeds to purchase U.S. Government securities which were deposited with an escrow agent to provide for all future debt service on the refunded 1997 bonds. As a result, that portion of the 1997 bonds is considered defeased, and the Commission has removed the liability from its accounts. The call date of the defeased bonds is January 1, 2007.

The excess of the advance refunding over the book value of the defeased bonds of \$ 127,902 is being amortized over the remaining life of the 2005 bonds.

The annual requirements to amortize the remaining outstanding debt of \$ 2,435,000 as of November 30, 2008, assuming no early retirements, is as follows:

Year ending November 30	Principal	Interest	Total	Balance
2009	\$ 220,000	122,533	342,533	2,215,000
2010	230,000	111,113	341,113	1,985,000
2011	240,000	99,068	339,068	1,745,000
2012	255,000	86,258	341,258	1,490,000
2013	270,000	72,540	342,540	1,220,000
2014	280,000	58,032	338,032	940,000
2015	295,000	42,721	337,721	645,000
2016	315,000	26,325	341,325	330,000
2017	330,000	8,910	338,910	
Total	\$ 2,435,000	627,500	3,062,500	

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 9 - Long-Term Debt, continued

Decatur Public Building Commission - General Obligation Lease Revenue Bonds, Series 2005: On June 2, 2005, the Commission approved resolution 2005-3 authorizing the issuance of \$ 9,490,000 General Obligation Lease Revenue Bonds for the purpose of providing for the refunding of certain Public Revenue Bonds, Series 1997 and to provide for certain acquisitions, improvements and equipping of facilities.

Annual debt service requirements are as follows:

Year ending November 30	Principal	Interest	Total	Balance
2009	\$ 1,515,000	200,373	1,715,373	4,745,000
2010	1,345,000	151,614	1,496,614	3,400,000
2011	1,155,000	107,580	1,262,580	2,245,000
2012	940,000	70,180	1,010,180	1,305,000
2013	700,000	40,023	740,023	605,000
2014	445,000	17,741	462,741	160,000
2015	160,000	4,680	164,680	
Total	<u>\$ 6,260,000</u>	<u>592,191</u>	<u>6,852,191</u>	

Note 10 - Prior Period Adjustments

During 2008, the following prior period adjustments were made to the financial statements:

It was determined that the value of supplies inventory for the County Health and the County Highway funds had not been recorded in the fund financial statements amounting to an adjustment of \$ 135,823 and \$ 413,546, respectively. These amounts, however, had been recorded at the government-wide level in the Statement of Net Assets; therefore, no adjustment was required to that statement.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 11 - Intergovernmental Revenue

A summary of intergovernmental revenue for the year ended November 30, 2008, follows:

	Major Funds						Component Unit	
	General Fund	County Health Fund	Highway Fund	Federal Aid Matching Fund	Motor Fuel Tax Fund	Multi-Facility Lease Fund	Nonmajor Funds	708 Board
Municipal	\$ 449,981		37,038			768,166	584,952	
Federal and state grants	649,159	3,959,666	547,499	197,621			4,170,006	1,053,067
Federal government	8,702						71,785	
State of Illinois	1,140,208				2,276,736		191,625	
Total	\$ 2,248,050	3,959,666	584,537	197,621	2,276,736	768,166	5,018,368	1,053,067

Note 12 - Fund Equity Balances

The fund equity balances have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

Reserved fund balance represents that portion of fund balance not available for appropriation or expenditure.

Fund balances reserved at November 30, 2008, are composed of the following:

	Major Funds					Component Unit
	General Fund	County Health Fund	Highway Fund	Multi-Facility Lease Fund	Nonmajor Funds	708 Board
Encumbrances	\$ 960		139,997		65,440	
Inventory	12,608	150,872	374,847			
Prepaid expenditures	59,565		3,558	3,707,522	10,886	
Reserved per statute	228,782					
Reserved for capital improvement						247,706
Disaster contingency					500,000	
	\$ 301,915	150,872	518,402	3,707,522	576,326	247,706

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 12 - Fund Equity Balances, continued

Unreserved, undesignated fund balance represents the remainder of the County's equity in governmental fund balances.

Designated fund balance is established to reflect management's plans for financial resource allocation in a future period. Such plans are subject to change and may never result in expenditures. At November 30, 2008, funds were designated as follows:

General Fund:	
Designated for insurance and retiree health benefits	\$ 1,000,000
Designated for cash flow and emergency reserve	<u>1,500,000</u>
Total	<u>2,500,000</u>
Nonmajor Special Revenue Funds:	
Designated for future grant expenditures:	
State's Attorney Grant Fund	95,553
Sheriff's Grant Fund	142,330
ESDA Grant Fund	381
Probation Grant Fund	16,752
Designated for future investment in equipment:	
Judgment Repayment Fund	<u>100,000</u>
Total	<u>\$ 355,016</u>

Macon County Mental Health Board - Fund Balances - Designated: The Board has designated fund balances as of June 30, 2008, for the following items:

Special allocations:	
Indemnification of Board of Directors	\$ 15,000
Possible property tax refund	50,000
Budget deficit	<u>54,112</u>
Total fund balances, designated	<u>\$ 119,112</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 12 - Fund Equity Balances, continued

Fund Equity Deficits: The following funds reported deficit fund balances as of November 30, 2008. The Internal Service Fund deficit will be eliminated with resources transferred from the Liability Insurance Fund. The Special Revenue Funds deficits result from grant recognition timing differences and will be eliminated with future grant revenues.

Internal Service - Self Insurance Fund	\$ 344,235
Special Revenue Funds:	
Women, Infants and Children Grant Fund	75,808
Home Modification Fund	39,579
Workforce Investment Solutions Fund	105,257

Decatur Public Building Commission: In 1995, the County contributed \$ 2,000,000 towards the renovation of the Macon County office building and courts facility. In 1996, 1997 and 1998, the County contributed a total of \$ 600,000 for the removal of asbestos from the Macon County Courts Facility as part of the renovation project, and the City of Decatur contributed \$ 100,000 towards the upgrade of the communications center at the Law Enforcement Center. The contributed capital is reported in the statement of net assets as net assets invested in capital assets.

Note 13 - Pension Plan

Employees of the County, the Macon County Mental Health Board and the Macon County Emergency Telephone System Board participate in the Illinois Municipal Retirement Fund.

Plan Description: The County's defined benefit pension plan for Regular, Elected County Official (ECO), and Sheriff's Law Enforcement Personnel (SLEP) employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The County plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

The employees of the discretely presented component units - Macon County Mental Health Board and Macon County ETSB - are included within the plan for Macon County, Illinois.

Funding Policy: As set by statute, the County's Regular, ECO and SLEP plan members are required to contribute 4.50%, 7.50% and 7.50% of their annual covered salary, respectively. The statutes requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 for Regular, ECO and SLEP was 8.11%, 45.47% and 21.63% of annual covered payroll, respectively. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 13 - Pension Plan, continued

Annual Pension Cost: For 2008, the County's annual pension cost of \$ 1,328,338 for the Regular plan, \$ 273,041 for the Elected County Official plan, and \$ 604,937 for the Sheriff's Law Enforcement Personnel plan was equal to the County's required and actual contributions.

Three-Year Trend Information for the Regular Plan:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/08	\$ 1,328,338	100%	\$ -0-
12/31/07	1,309,199	100%	-0-
12/31/06	1,319,327	100%	-0-

Three-Year Trend Information for the Elected County Official Plan:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/08	\$ 273,041	100%	\$ -0-
12/31/07	261,934	100%	-0-
12/31/06	225,286	100%	-0-

Three-Year Trend Information for the Sheriff's Law Enforcement Personnel Plan:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/08	\$ 604,937	100%	\$ -0-
12/31/07	585,005	100%	-0-
12/31/06	526,256	100%	-0-

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 13 - Pension Plan, continued

Annual Pension Cost, continued: The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the County's Regular, ECO and SLEP plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Regular, ECO and SLEP plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at the December 31, 2006, valuation was 24 years.

Funded Status and Funding Progress: As of December 31, 2008, the most recent actuarial valuation date, the *Regular plan* was 81.01 percent funded. The actuarial accrued liability for benefits was \$ 41,909,003 and the actuarial value of assets was \$ 33,952,334, resulting in an underfunded actuarial accrued liability (UAAL) of \$ 7,956,669. The covered payroll (annual payroll of active employees covered by the plan) was \$ 16,379,009 and the ratio of the UAAL to the covered payroll was 49 percent.

As of December 31, 2008, the most recent actuarial valuation date, the *Elected County Official plan* was 34.76 percent funded. The actuarial accrued liability for benefits was \$ 3,353,225 and the actuarial value of assets was \$ 1,165,424, resulting in an underfunded actuarial accrued liability (UAAL) of \$ 2,187,801. The covered payroll (annual payroll of active employees covered by the plan) was \$ 600,486, and the ratio of the UAAL to the covered payroll was 364 percent.

As of December 31, 2008, the most recent actuarial valuation date, the *Sheriff's Law Enforcement Personnel plan* was 40.33 percent funded. The actuarial accrued liability for benefits was \$ 10,467,225, and the actuarial value of assets was \$ 4,221,820, resulting in an underfunded actuarial accrued liability (UAAL) of \$ 6,245,405. The covered payroll (annual payroll of active employees covered by the plan) was \$ 2,796,750, and the ratio of the UAAL to the covered payroll was 223 percent.

The schedules of funding progress, presented as RSI following the notes to the financial statements, present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 14 - Decatur Public Building Commission Retirement Plan

In 1998, the Commission adopted a Savings Incentive Match Plan for Employees (SIMPLE) Individual Retirement Account (IRA) Plan under Section 408(p) of the Internal Revenue Code. The Commission administers the SIMPLE IRA Plan as a single-employer defined contribution plan, which has been established through a trust agreement with a financial institution. Plan provisions are established and may be amended by the Board. Eligible employees are those who received at least \$ 5,000 in compensation from the Commission during the current year. Participants may elect to make salary reduction contributions to the plan for amounts expressed either as a specific dollar amount or as a percentage of compensation. Salary reduction contributions cannot exceed \$ 10,500 (\$ 12,500 if over 50 years of age) per plan year. In addition, the Commission is generally required to make a matching contribution on behalf of each eligible employee in an amount equal to the employee's salary reduction contributions, up to 3% of the employee's compensation for the applicable calendar year. Contributions requirements are established and may be amended by the Board. A participant's interest in the plan, including that attributable to the Commission's matching contribution, is nonforfeitable. For the year ended November 30, 2008, the Commission's total matching contributions to the plan were \$ 19,051.

Note 15 - Deferred Compensation Plan

The County offers all full-time employees a deferred compensation plan established in accordance with the requirements of the Internal Revenue Code Section 457. Participants authorize the County to withhold funds from their salaries which are invested, within a range of options, in individual accounts as directed by the individual. The assets are administered by ICMA-RC. The assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. The deferred compensation is not available to the participants until termination, retirement, death or unforeseeable emergency. The County made no contributions to the plan.

Macon County Mental Health Board: The Board offers various employees a deferred compensation plan established in accordance with the requirements of Internal Revenue Code Section 457. The assets of the plan are held in trust for the exclusive benefit of the participants (employees) and their beneficiaries.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 16 - Multiple Facilities Lease

The County had entered into a 30-year lease agreement in 1997 with the Decatur Public Building Commission (DPBC) for financing renovations to the Macon County Office Building and Macon County Courts Facility. In addition, the County, along with the City of Decatur (City) had entered into a noncancellable 20-year lease with the DPBC in 1986 in order to lease the Macon County Law Enforcement Facilities from the DPBC. The leases required that the County levy property taxes to make annual rental payments to the DPBC to service the DPBC revenue bonds and to pay maintenance and utility costs of the center.

On June 1, 2005, the County and the DPBC entered into a new Multiple Facilities Lease Agreement, encompassing the Courthouse, Office Building, Law Enforcement Facilities, and adding the Animal Control Facility. The new lease superseded both of the prior leases, except for the obligations of the County to pay the remaining rent due under the 1986 lease, all of which was due and payable on or before January 1, 2006. Concurrent with the execution of the lease, the DPBC issued the General Obligation Lease Revenue Bonds, Series 2005 for the purposes of paying the costs of the renovation projects and providing for the refunding of the 1997 bond issue.

The initial lease term of the Multiple Facilities Lease Agreement is twelve and one-half (12½) years. Prior to the expiration of the lease, the parties can extend the lease period for an additional thirty (30) years, or such lesser period as they may agree.

The rent is divisible into a debt service component and a facilities rent portion. The debt service component is payable in order to retire the bonds issued by the DPBC. The facilities rent component reflects the amounts necessary to cover operations and maintenance expenditures of the buildings. The following is a schedule of the future minimum lease payments under the lease and the present value of the net minimum lease payments at November 30, 2008:

November 30,	Facilities Rent	Debt Service Component		
		Principal	Interest	Total
2009	\$ 3,869,101	1,735,000	322,905	2,057,905
2010	4,085,905	1,575,000	262,726	1,837,726
2011	4,323,244	1,395,000	206,648	1,601,648
2012	4,576,924	1,195,000	156,437	1,351,437
2013	4,838,699	970,000	112,562	1,082,562
2014-2017	22,031,022	1,825,000	158,411	1,983,411
	<u>\$ 43,724,895</u>	<u>8,695,000</u>	<u>1,219,689</u>	<u>9,914,689</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 16 - Multiple Facilities Lease, continued

A further allocation of the rent is set out in the lease agreement to show the rent by facility which allocates the use of the rent receipts by the DPBC. However, the lease agreement states that a reallocation among the facilities is allowed upon written acceptance by both parties.

The initial rent allocation to each facility follows:

Courthouse and Office Building	47.25%
Law Enforcement Facilities	44.87%
Animal Control Facility	<u>7.88%</u>
	<u>100.00%</u>

The agreement states that any amounts remaining after payment of debt service and operations and maintenance costs from the rent payments received for the year, are added to a General and Surplus Revenue Account. At the written request of the County, the DPBC shall apply any or all amounts in the General and Surplus Revenue Account to the next rental payment due. The Multi-Facility Lease Fund records a receivable for the surplus at year end. The change in the surplus for 2008 is as follows:

Balance at November 30, 2007	\$ 677,328
2008 rents applied	(671,425)
2008 surplus	<u>768,166</u>
Balance at November 30, 2008	<u>\$ 774,069</u>

Decatur Public Building Commission: On June 1, 2005, the Commission entered into a multiple-facility lease agreement with Macon County, Illinois. The leased facilities are the Macon County Courthouse, Macon County Office Building, Macon County Animal Control Facility and the Macon County Law Enforcement Center. This lease supersedes the July 1, 1997 lease.

The Commission is required to pay all utilities, cleaning and other operation and maintenance costs of the multiple facilities. Operational costs not related to facilities operations are born by the lessee. If operation and maintenance costs exceed rental revenue, the Commission may use funds from the General and Surplus Account to offset the deficiency. In the event the General and Surplus Account does not meet the deficiency, the Commission can, by mutual consent with the lessee, reduce services or procure additional rents.

Macon County has the option to renew the lease for up to an additional 30 years after the expiration of the lease. Lease terms related to the renewal option would need to be negotiated at the time of renewal.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 16 - Multiple Facilities Lease, continued

Decatur Public Building Commission, continued: Lease payments are due each December 1 for the succeeding year and are comprised of two components, (1) the debt service component, and (2) the facilities rent component. Future minimum lease payments are as follows:

Year ending November 30	Debt Service Component	Facilities Rent Component	Total
2009	\$ 2,057,905	3,869,101	5,927,006
2010	1,837,726	4,085,905	5,923,631
2011	1,601,648	4,323,245	5,924,893
2012	1,351,438	4,576,925	5,928,363
2013	1,082,563	4,838,699	5,921,262
2014	800,774	5,120,189	5,920,963
2015	502,401	5,422,599	5,925,000
2016	341,325	5,573,850	5,915,175
2017	338,910	5,914,384	6,253,294
Total	<u>\$ 9,914,690</u>	<u>43,724,897</u>	<u>53,639,587</u>

The Commission agreed to apply \$ 155,005 of operating surplus towards Macon County's fiscal year 2008 rental obligation, thus reducing rent income by this amount.

On June 1, 2003, the Commission entered into a lease agreement with the County of Macon, whereby, the Commission leased to the County approximately 9,000 square feet located on the sixth and seventh floors of the Macon County Office Building. Monthly rentals on this lease that are received in advance are \$ 3,750.

On June 1, 2008, the Commission entered into a lease agreement with the Macon County Emergency Telephone System Board (ETSB), whereby the Commission is leasing to ETSB approximately 2,118 square feet of office space located on the eighth floor of the Macon County Office Building. The term of the lease is five years commencing on June 1, 2008 and ending on May 31, 2013. Rent for the first year shall be \$ 14,076, and the rent will be increased by 4% for each succeeding year. Future minimum lease receipts are as follows:

2009	\$ 14,358
2010	14,932
2011	15,529
2012	16,150
2013	<u>8,233</u>
	<u>\$ 69,202</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 16 - Multiple Facilities Lease, continued

Decatur Public Building Commission, continued: Following is a summary of rent income:

	Macon County	City of Decatur	Other	Total
Summary of scheduled rents:				
Rent payments received:				
Law Enforcement Center and Multi-facilities	\$ 5,004,895	199,637	58,801	5,263,333
Designated rents:				
From surplus accounts	764,272	57,475		821,747
From Commission operations	155,005			155,005
Total scheduled rents	<u>5,924,172</u>	<u>257,112</u>	<u>58,801</u>	<u>6,240,085</u>
Summary of recognized rent income:				
Total schedule rents	5,924,172	257,112	58,801	6,240,085
Rents designated from Commission operations	(155,005)			(155,005)
Change in surplus liability accounts	(722,243)			(722,243)
Rent income	<u>\$ 5,046,924</u>	<u>257,112</u>	<u>58,801</u>	<u>5,362,837</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 17 - Other Leases

The County has a month-to-month lease agreement with the Decatur Public Building Commission for 9,000 square feet of space located on the sixth and seventh floors of the Macon County Office Building. This space is for use by the Probation Department of Macon County. The lease calls for monthly rental payments of \$ 3,750. In addition, the Commission provides utilities and upkeep of the space for the County.

Rental expenditures under this lease totaled \$ 45,000 for the fiscal year ended November 30, 2008.

The County has a lease agreement for a portion of the space located at 757 West Pershing Road for use by the Workforce Investment Solutions One Stop Center. The lease is renegotiated annually based on a cost allocation process.

Rental expenditures under this lease for the fiscal year ended November 30, 2008 totaled \$ 39,710.

During 2008, the County entered into a two year lease agreement for office space at 369 West Prairie for use by the State's Attorney for a Child Advocacy Center. The lease calls for monthly rental payments of \$ 1,400 and has an option to renew for an additional three years at the same rate.

Rental expenditures under this lease for the fiscal year ended November 30, 2008 totaled \$ 16,200.

Macon County Emergency Telephone System Board: The Board leases office space under an operating lease that expires May 31, 2013. Total rent expense was \$ 13,848 for the year. Future minimum lease payments are as follows:

2009	\$ 14,358
2010	14,934
2011	15,594
2012	16,212
2013	8,232
	<hr/>
	\$ 69,330
	<hr/>

Macon County Mental Health Board: The Board is committed under various leases for office space and other equipment expiring through 2008. These leases are considered for accounting purposes to be operating leases. Rent expense for the year ended June 30, 2008, amounted to \$ 46,982. Future minimum lease payments for these leases are as follows:

2009	\$ 14,945
	<hr/>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 18 - Risk Management

Property and Liability: The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County contracts with the Illinois Counties Risk Management Trust for liability, property, and crime insurance. The program has a \$ 25,000 deductible per occurrence. The list below is a general description of insurance coverage; not all policy terms, conditions, restrictions, exclusions, etc. are included.

Liability:

General (Per Occurrence/Aggregate)	\$ 1,000,000/3,000,000
Law Enforcement	\$ 3,000,000
Auto	\$ 1,000,000
Nurses Professional	\$ 1,000,000
Public Official Errors and Omissions	\$ 1,000,000

Aggregate:

Property	\$ 8,801,900
Inland Marine (scheduled equipment)	\$ 1,067,659
Unscheduled equipment	\$ 10,000
Contractor's equipment (leased)	\$ 100,000
Voting machines	\$ 450,500
Crime	\$ 500,000
Excess Liability (Per Occurrence/Aggregate)	\$ 8,000,000

The County pays all elected officials' bonds by statute.

The other County building and contents are insured under the Decatur Public Building Commission's policy. The boiler/machine are covered by the Public Building Commission. Settled claims have not exceeded this commercial coverage in any of the past three years.

Unemployment Insurance: Under provisions of the Illinois Unemployment Insurance Act, the County has elected to self-insure for unemployment compensation benefits. Rather than contribute to the Illinois Unemployment Insurance Fund, the County has agreed to reimburse the State of Illinois for any unemployment benefits paid by the State on behalf of the County. The unemployment compensation program is funded totally by the County.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 18 - Risk Management, continued

Workers' Compensation: The County has elected to self-insure for worker's compensation. The worker's compensation program is funded 90 percent by the County, with the remaining 10 percent being covered by an insurance carrier. The program is insured for amounts above the self-insured retention limits of \$ 400,000 with a statutory maximum limit of indemnity per occurrence. After these limits, the County is insured for amounts up to \$ 1,000,000.

The County's self insurance program is funded by property tax receipts. Proceeds from property taxes are initially recorded in the Insurance Liability Fund and subsequently transferred to the Internal Service Fund (Self Insurance Fund) as the need arises. At November 30, 2008, the Internal Service Fund had a deficit fund balance of \$ 344,235. This deficit is being addressed through increased transfers from the Insurance Liability Fund as needed to pay claims as they come due.

Claims and Judgments: When a probable claim liability has been incurred at year end and the amount of the loss can be reasonably estimated, the County records the estimated loss under its self insurance program. The claim liability includes claims incurred and an estimation for claims incurred but not reported (IBNR), based on historical data pursuant to the self-funded workmen's compensation and unemployment compensation programs. This estimated liability for claims reported to date has been recorded in the Self-Insurance Internal Service Fund.

Changes in the balances of the claims liabilities amount for the two most recent fiscal years are as follows:

	<u>2008</u>	<u>2007</u>
Claims liability, beginning of year	\$ 215,761	164,786
Claims incurred and changes in estimates	182,929	247,822
Claim payments	<u>(209,497)</u>	<u>(196,847)</u>
Claims liability, end of year	<u>\$ 189,193</u>	<u>215,761</u>

There was no liability reported for claims incurred but not reported (IBNR) as of November 30, 2008.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 19 - Commitments and Contingencies

Federally Assisted Grant Programs: The County participated in a number of federally assisted grant programs, principal of which is the Workforce Investment Act. These programs are subject to program compliance audits by the grantors or their representative. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be insignificant.

Litigation: There are several lawsuits pending against the County for various reasons. The outcome and eventual liability of the County, if any, in these cases are not known at this time and, accordingly, no specific provisions for these lawsuits are included in the financial statements except as accrued in the Internal Service - Self Insurance Fund. However, based upon past experience, management believes that the insurance coverage maintained by the County is sufficient to cover any potential claims with the exception of the following lawsuit.

The County has been named in a lawsuit regarding a relatively new subdivision. The homeowners are alleging that subdivision roads are in disrepair, the township will not accept the roads, and that the County failed to oversee and require the developer to construct the roads to such standards that the township would accept and maintain the roads. The subdivision is about ten years old and almost entirely built out with new homes. The developer refuses to bring the roads up to acceptable standards. The Plaintiffs contend that the County should have never allowed building permits to be issued until the subdivision was fully completed, including acceptance of the roads. The liability of the County is strong. The damages to rehabilitate the roads for acceptance by the township could be up to \$ 450,000. Reimbursement for any costs to the County would be sought from the developer. Subsequent to year end, the County has approved a corrective action plan to make the necessary repairs and pursue recovery of these expenditures.

Construction Commitments: The County has active construction projects as of November 30, 2008, consisting mainly of road construction and resurfacing projects. At year end, the County's major project commitments are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Construction Commitment</u>	<u>Expected Completion Date</u>
South and East Beltway Engineering Feasibility Study	\$ 1,463,390	521,993	2009

The above project is funded primarily by motor fuel tax proceeds, and state and federal grant proceeds. The outcome of the study will determine whether additional construction commitments will be accepted.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2008

Note 19 - Commitments and Contingencies, continued

Contract Commitments: During 2007, the County entered into an eighteen-month contract for computer support in connection with the 2008 election cycle. Monthly payments of \$ 16,085 are due based on a total contract price of \$ 289,530.

The County enters into various contracts to support the Sheriff's Department which includes the jail. A two year contract for medical services for inmates of the Macon County Jail was entered into for \$ 20,833 per month. Another contract was entered into for dietary services at a per-meal price also for inmates of the jail.

During 2007, the County entered into an intergovernmental agreement with Sangamon County to provide beds for juvenile inmates, since Macon County currently has no facility of its own to serve this population. The agreement is for five years, at the initial annual fee stated at \$ 185,237 with annual increases based on the Consumer Price Index.

Note 20 - Postemployment Benefits

The County provides for the continuance of health insurance benefits for retired employees under 65 years of age by allowing them to remain in the County's healthcare plan after retirement. Once retirees reach 65 years of age, they are eligible for Medicare enrollment and are no longer eligible to participate in the County's health insurance program. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County. The retirees pay the cost of the entire annual premium, which is equal to the employee and employer costs for each plan year. Amounts paid by retirees are recorded as revenue when received, and the premium paid by the County is recorded as expenditures when paid. The approximation of the portion of health benefits attributable to retirees only cannot reasonably be made.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2008

Note 21 - Non-Commitment Debt

On May 1, 2000, the County issued Series 2000 Adjustable Rate Demand Revenue Bonds in the amount of \$ 8,700,000. Net proceeds of the issuance were deposited by Decatur Family YMCA, Illinois, for the construction of a new facility. The YMCA has signed a promissory note payable to the County, securing all principal and interest due under the bonds. As the intent of all parties is that the YMCA will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 8,700,000 at December 31, 2008.

During 1998, the County issued Series 1998A and 1998B Revenue Refunding Bonds in the amount of \$ 14,480,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the defeasance of Series 1995 Revenue Bonds. The University entered into an Irrevocable Escrow Agreement to defease the Series 1995 Revenue Bonds. As the intent of all parties is that the University will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on these obligations was \$ 12,315,000 at June 30, 2008. Additionally, \$ 1,365,000 of the \$ 4,913,736 of principal defeased was still outstanding at June 30, 2008.

During February 1999, the County issued Series 1999 Revenue Bonds in the amount of \$ 15,900,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the construction of a new facility, and renovation and improvements to existing facilities. The University has signed a promissory note payable to the County, securing all principal and interest due under the bonds. As the intent of all parties is that the University will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 13,600,000 at June 30, 2008.

During April 2001, the County issued Series 2001 Revenue Bonds in the amount of \$ 8,300,000. Net proceeds of the issuance were deposited by Millikin University, Illinois, for the construction of a new facility. The University has signed a promissory note payable to the County, securing all principal and interest due under the bonds. As the intent of all parties is that the University will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. As of February 2008, the Series 2001 bonds were paid in full.

REQUIRED SUPPLEMENTARY INFORMATION

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 GENERAL CORPORATE FUND
 Year ended November 30, 2008

	Budgeted Amounts		Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
	Original	Final				
Revenues:						
Taxes	\$ 8,913,746	8,913,746	9,588,773	(14,940)	9,573,833	675,027
Intergovernmental	2,067,918	2,115,146	2,248,050		2,248,050	132,904
Fines, fees, forfeitures	3,901,660	3,901,660	4,068,250		4,068,250	166,590
Licenses and permits	86,350	86,350	110,004		110,004	23,654
Interest on investments	162,900	162,900	182,004		182,004	19,104
Miscellaneous revenue	1,474,000	1,475,861	1,666,134		1,666,134	190,273
Total revenues	16,606,574	16,655,663	17,863,215	(14,940)	17,848,275	1,207,552
Expenditures:						
General Control and Administration:						
County Clerk:						
Personnel	233,051	233,051	232,383		232,383	668
Supplies and materials	45,400	48,461	36,133		36,133	12,328
County Clerk - Elections:						
Personnel	308,315	308,315	292,966		292,966	15,349
Supplies and materials	362,000	362,000	321,373		321,373	40,627
County Recorder:						
Personnel	212,901	212,901	211,883		211,883	1,018
Supplies and materials	14,055	14,055	10,052		10,052	4,003
County Treasurer:						
Personnel	225,920	225,920	226,281		226,281	(361)
Supplies and materials	44,047	44,047	42,353		42,353	1,694
Auditor:						
Personnel	318,889	318,889	291,583		291,583	27,306
Supplies and materials	36,200	36,200	32,087		32,087	4,113
Equipment	6,500	6,500	5,969		5,969	531
County Board:						
Personnel	269,118	269,118	242,004		242,004	27,114
Supplies and materials	1,599,973	1,597,873	1,277,509		1,277,509	320,364
Equipment	15,000	17,100	13,301		13,301	3,799
Supervisor of Assessments:						
Personnel	256,640	256,640	250,113		250,113	6,527
Supplies and materials	67,100	67,100	48,730		48,730	18,370
Equipment	6,000	6,000	5,317		5,317	683
Board of Review:						
Personnel	65,115	65,115	65,115		65,115	
Supplies and materials	14,950	14,950	8,192		8,192	6,758
Equipment	300	300	222		222	78

(Continued)

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 GENERAL CORPORATE FUND (Continued)
 Year ended November 30, 2008

	Budgeted Amounts		Actual	Budget to	Actual	
	Original	Final	Amounts	GAAP	Amounts	
			Budgetary	Differences	GAAP	Variance
			Basis	Over (Under)	Basis	
Expenditures, continued:						
Public Safety:						
County Sheriff:						
Personnel	\$ 3,275,925	3,286,325	3,188,534		3,188,534	97,791
Supplies and materials	112,700	118,700	98,194		98,194	20,506
Equipment		140,372	130,082		130,082	10,290
Law Facilities Center:						
Personnel	2,976,311	2,965,911	2,895,616		2,895,616	70,295
Supplies and materials	127,800	127,800	138,890		138,890	(11,090)
Judiciary and Court-Related:						
Circuit Clerk:						
Personnel	942,897	942,897	939,491		939,491	3,406
Supplies and materials	113,451	113,451	94,987		94,987	18,464
Equipment	900	900				900
State's Attorney:						
Personnel	1,258,834	1,241,234	1,241,051		1,241,051	183
Supplies and materials	124,500	130,170	129,566		129,566	604
Equipment	6,220	28,150	28,150		28,150	
State's Attorney, Title IV-D, Public Aid:						
Personnel	265,735	274,668	305,784		305,784	(31,116)
Supplies and materials	41,600	32,667	31,698		31,698	969
Equipment	5,700	5,700	5,614		5,614	86
Circuit Court:						
Personnel	451,265	451,265	417,776		417,776	33,489
Supplies and materials	210,200	210,200	161,319		161,319	48,881
Equipment	4,000	4,000	2,117		2,117	1,883
Public Defender:						
Personnel	855,087	823,569	822,896		822,896	673
Supplies and materials	25,000	93,746	51,654		51,654	42,092
Equipment		10,000	7,791		7,791	2,209
Probation Officers:						
Personnel	1,680,969	1,680,969	1,617,943		1,617,943	63,026
Supplies and materials	486,224	486,224	443,133		443,133	43,091
Equipment	600	600	140		140	460
Public Health and Welfare:						
Superintendent, Regional Office of Education:						
Personnel	109,374	109,374	107,931		107,931	1,443
Supplies and materials	50,448	50,448	48,137		48,137	2,311
Total expenditures	17,227,214	17,433,875	16,522,060	-	16,522,060	911,815

(Continued)

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 GENERAL CORPORATE FUND (Continued)
 Year ended November 30, 2008

	Budgeted Amounts		Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
	Original	Final				
Excess (deficiency) of revenues over (under) expenditures	(620,640)	(778,212)	1,341,155	(14,940)	1,326,215	2,119,367
Other financing sources (uses):						
Transfers in	587,400	588,000	439,806		439,806	(148,194)
Transfers out						
Total other financing sources (uses)	587,400	588,000	439,806	-	439,806	(148,194)
Net change in fund balance	<u>\$ (33,240)</u>	<u>(190,212)</u>	1,780,961	<u>(14,940)</u>	1,766,021	1,971,173
Budgetary fund balance, beginning of year			<u>6,644,724</u>			
Budgetary fund balance, end of year			<u>\$ 8,425,685</u>			

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 ILLINOIS MUNICIPAL RETIREMENT FUND
 Year ended November 30, 2008

	Budgeted Amounts		Actual	Budget to	Actual	
	Original	Final	Amounts	GAAP	Amounts	Variance
			Budgetary	Differences	GAAP	
			Basis	Over (Under)	Basis	
Revenues:						
Taxes	\$ 2,150,000	2,150,000	2,101,505	36,663	2,138,168	(48,495)
Interest on investments	59,000	59,000	27,020		27,020	(31,980)
Total revenues	<u>2,209,000</u>	<u>2,209,000</u>	<u>2,128,525</u>	<u>36,663</u>	<u>2,165,188</u>	<u>(80,475)</u>
Expenditures:						
Current:						
General Control and Administration:						
Personnel - IMRF Agent Trust Fund	1,843,593	1,766,003	1,768,392		1,768,392	(2,389)
Public Safety:						
Personnel - IMRF Agent Trust Fund			78,370		78,370	(78,370)
Judiciary and Court-Related:						
Personnel - IMRF Agent Trust Fund			261,376		261,376	(261,376)
Total expenditures	<u>1,843,593</u>	<u>1,766,003</u>	<u>2,108,138</u>	<u>-</u>	<u>2,108,138</u>	<u>(342,135)</u>
Net change in fund balance	<u>\$ 365,407</u>	<u>442,997</u>	<u>20,387</u>	<u>36,663</u>	<u>57,050</u>	<u>(422,610)</u>
Budgetary fund balance, beginning of year			<u>1,112,862</u>			
Budgetary fund balance, end of year			<u>\$ 1,133,249</u>			

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 COUNTY HEALTH FUND
 Year ended November 30, 2008

	Budgeted Amounts		Actual	Budget to	Actual	
	Original	Final	Amounts	GAAP	Amounts	Variance
			Budgetary	Differences	GAAP	
			Basis	Over (Under)	Basis	
Revenues:						
Taxes	\$ 1,500,000	1,500,000	1,396,199	2,853	1,399,052	(103,801)
Intergovernmental	3,557,257	3,617,754	3,959,666		3,959,666	341,912
Fines, fees, forfeitures	300,100	300,100	373,794		373,794	73,694
Licenses and permits	130,000	130,000	131,618		131,618	1,618
Interest on investments	73,261	73,261	32,012		32,012	(41,249)
Miscellaneous revenue	95,000	95,000	24,486		24,486	(70,514)
Total revenues	5,655,618	5,716,115	5,917,775	2,853	5,920,628	201,660
Expenditures:						
Current:						
Public Health and Welfare:						
Personnel	4,230,345	4,113,276	4,632,908		4,632,908	(519,632)
Supplies and materials	1,776,176	1,697,527	1,466,761		1,466,761	230,766
Equipment		46,215	78,334		78,334	(32,119)
Debt Service:						
Principal		120,000	87,797		87,797	32,203
Interest			50,442		50,442	(50,442)
Total expenditures	6,006,521	5,977,018	6,316,242	-	6,316,242	(339,224)
Excess (deficiency) of revenues over (under) expenditures	(350,903)	(260,903)	(398,467)	2,853	(395,614)	(137,564)
Other financing sources (uses):						
Transfers in			115,620		115,620	115,620
Transfers out		(90,000)	(90,000)		(90,000)	
Total other financing sources (uses)	-	(90,000)	25,620	-	25,620	115,620
Net change in fund balance	\$ (350,903)	(350,903)	(372,847)	2,853	(369,994)	(21,944)
Budgetary fund balance, beginning of year			2,319,870			
Budgetary fund balance, end of year			\$ 1,947,023			

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 COUNTY HIGHWAY FUND
 Year ended November 30, 2008

	Budgeted Amounts		Actual	Budget to	Actual	
	Original	Final	Amounts	GAAP	Amounts	Variance
			Budgetary	Differences	GAAP	
			Basis	Over (Under)	Basis	
Revenues:						
Taxes	\$ 1,300,000	1,300,000	1,298,081	(5,200)	1,292,881	(1,919)
Intergovernmental	535,000	535,000	584,537		584,537	49,537
Fines, fees, forfeitures						
Interest on investments	13,600	13,600	35,204		35,204	21,604
Miscellaneous revenue	100,000	100,000	94,962		94,962	(5,038)
Total revenues	<u>1,948,600</u>	<u>1,948,600</u>	<u>2,012,784</u>	<u>(5,200)</u>	<u>2,007,584</u>	<u>64,184</u>
Expenditures:						
Current:						
Transportation:						
Personnel	551,426	551,426	571,395		571,395	(19,969)
Supplies and materials	724,816	764,816	573,211		573,211	191,605
Equipment	1,635,000	1,595,000	585,392	(139,997)	445,395	1,009,608
Total expenditures	<u>2,911,242</u>	<u>2,911,242</u>	<u>1,729,998</u>	<u>(139,997)</u>	<u>1,590,001</u>	<u>1,181,244</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(962,642)</u>	<u>(962,642)</u>	<u>282,786</u>	<u>134,797</u>	<u>417,583</u>	<u>1,245,428</u>
Other financing sources (uses):						
Transfers in	800,000	800,000	183,346		183,346	(616,654)
Transfers out	(61,250)	(61,250)	(61,250)		(61,250)	
Total other financing sources (uses)	<u>738,750</u>	<u>738,750</u>	<u>122,096</u>	<u>-</u>	<u>122,096</u>	<u>(616,654)</u>
Net change in fund balance	<u>\$ (223,892)</u>	<u>(223,892)</u>	<u>404,882</u>	<u>134,797</u>	<u>539,679</u>	<u>628,774</u>
Budgetary fund balance, beginning of year			<u>1,472,744</u>			
Budgetary fund balance, end of year			<u>\$ 1,877,626</u>			

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 FEDERAL AID MATCHING FUND
 Year ended November 30, 2008

	Budgeted Amounts		Actual	Budget to	Actual	
	Original	Final	Amounts	GAAP	Amounts	
			Budgetary	Differences	GAAP	Variance
			Basis	Over (Under)	Basis	
Revenues:						
Taxes	\$ 415,000	415,000	414,375	(1,666)	412,709	(625)
Intergovernmental	20,000	20,000	197,621		197,621	177,621
Interest on investments	30,250	30,250	24,632		24,632	(5,618)
Total revenues	465,250	465,250	636,628	(1,666)	634,962	171,378
Expenditures:						
Current:						
Transportation:						
Supplies and materials	1,650,000	1,650,000	275,198	140,051	415,249	1,374,802
Net change in fund balance	\$ (1,184,750)	(1,184,750)	361,430	(141,717)	219,713	1,546,180
Budgetary fund balance, beginning of year			1,146,472			
Budgetary fund balance, end of year			\$ 1,507,902			

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 COUNTY MOTOR FUEL TAX FUND
 Year ended November 30, 2008

	Budgeted Amounts Original	Final	Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
Revenues:						
Intergovernmental	\$ 2,299,950	2,299,950	2,276,736		2,276,736	(23,214)
Interest on investments	60,100	60,100	45,961		45,961	(14,139)
Miscellaneous revenue	10,000	10,000	15,133		15,133	5,133
Total revenues	2,370,050	2,370,050	2,337,830	-	2,337,830	(32,220)
Expenditures:						
Current:						
Transportation:						
Personnel	810,293	810,293	1,351,099		1,351,099	(540,806)
Supplies and materials	1,300,000	1,140,000				1,140,000
Equipment	1,000,000	1,160,000	1,138,479		1,138,479	21,521
Total expenditures	3,110,293	3,110,293	2,489,578	-	2,489,578	620,715
Excess (deficiency) of revenues over (under) expenditures	(740,243)	(740,243)	(151,748)	-	(151,748)	588,495
Other financing sources (uses):						
Transfers in						
Transfers out	(800,000)	(800,000)	(183,346)		(183,346)	616,654
Total other financing sources (uses)	(800,000)	(800,000)	(183,346)	-	(183,346)	616,654
Net change in fund balance	\$ (1,540,243)	(1,540,243)	(335,094)	-	(335,094)	1,205,149
Budgetary fund balance, beginning of year			2,549,430			
Budgetary fund balance, end of year			<u>\$ 2,214,336</u>			

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 MULTI-FACILITY LEASE FUND
 Year ended November 30, 2008

	Budgeted Amounts		Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
	Original	Final				
Revenues:						
Taxes	\$ 5,400,000	4,728,574	4,785,659	(36,248)	4,749,411	57,085
Intergovernmental			768,166		768,166	768,166
Interest on investments	55,000	55,000	64,840		64,840	9,840
Miscellaneous	14,400	14,400	17,900		17,900	3,500
Total revenues	<u>5,469,400</u>	<u>4,797,974</u>	<u>5,636,565</u>	<u>(36,248)</u>	<u>5,600,317</u>	<u>838,591</u>
Expenditures:						
Current:						
General Control and Administration:						
Public Building Commission lease payments	1,247,520	1,167,689	1,190,399		1,190,399	(22,710)
Public Safety:						
Public Building Commission lease payments	3,241,574	3,034,136	3,093,148		3,093,148	(59,012)
Judiciary and Court-Related:						
Public Building Commission lease payments	1,556,907	1,457,276	1,485,619		1,485,619	(28,343)
Total expenditures	<u>6,046,001</u>	<u>5,659,101</u>	<u>5,769,166</u>	<u>-</u>	<u>5,769,166</u>	<u>(110,065)</u>
Net change in fund balance	<u>\$ (576,601)</u>	<u>(861,127)</u>	<u>(132,601)</u>	<u>(36,248)</u>	<u>(168,849)</u>	<u>728,526</u>
Budgetary fund balance, beginning of year			<u>7,465,104</u>			
Budgetary fund balance, end of year			<u>\$ 7,332,503</u>			

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS

November 30, 2008

Schedule of Funding Progress - Regular

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
12/31/08	\$ 33,952,334	41,909,003	7,956,669	81.01	16,379,009	48.58%
12/31/07	42,970,384	42,127,962	(842,422)	102.00	15,869,076	0.00%
12/31/06	39,874,111	39,105,299	(768,812)	101.97	15,078,028	0.00%

Schedule of Funding Progress - Elected County Officials

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
12/31/08	\$ 1,165,424	3,353,225	2,187,801	34.76	600,486	364.34%
12/31/07	1,654,086	4,149,162	2,495,076	39.87	566,712	440.27%
12/31/06	1,233,078	3,747,508	2,514,430	32.90	517,542	485.84%

Schedule of Funding Progress - Sheriff Law Enforcement Personnel

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
12/31/08	\$ 4,221,820	10,467,225	6,245,405	40.33	2,796,750	223.31%
12/31/07	7,085,429	11,201,196	4,115,767	63.26	2,779,123	148.10%
12/31/06	6,952,527	11,149,080	4,196,553	62.36	2,671,351	157.09%

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

November 30, 2008

Note 1 - Budgetary Process

The budget and appropriations ordinance is prepared on the budgetary basis of accounting. The appropriations ordinance is the County Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Board.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted. These appropriations were made before the end of the prior year, and before the year end fund balances were known. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended budget as of November 30, 2008.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements:

- 1) An appropriations budget is legally adopted through the budgetary process on an annual fiscal year basis for the General Fund; Special Revenue Funds except for the Regional Planning Commission Fund, State's Attorney Drug Fund, State's Attorney Forfeited Federal Fund, Sheriff's Drug Fund, Probation and Court Services Fund, and ESDA Grant Fund; Capital Project Funds and the Internal Service Fund.
- 2) Officeholders prepare their original appropriated budget requests before the second week of June.
- 3) The officeholders meet with their respective committees and revise the original appropriated budget amounts.
- 4) The various committees present their revised appropriated budget requests to the Finance Committee at a series of budget hearings held during August through October.
- 5) As approved by the Finance Committee, a display budget is prepared in October for a mandatory 15 day public display.
- 6) The appropriated budget is reviewed and legally adopted by the Macon County Board in a regular or special session held in November preceding the new fiscal year.
- 7) The appropriated budget is prepared under the modified accrual basis of accounting as required by generally accepted accounting principles (GAAP) except for property tax revenue, which is budgeted on the cash basis, and encumbrances, which are recorded as expenditures for budgetary reporting. The Budget Basis of Accounting footnote shows the nature and amounts of basis and timing differences necessary to reconcile the Non-GAAP actual to GAAP actual at the fund type level.
- 8) Transfers of budgeted amounts between funds or any amendments to the originally approved budget by means of an emergency or supplemental appropriation require approval by two-thirds of the County Board members. Budget amendments are typically made if a new revenue source had been secured or identified. Budget amendments were made during the fiscal year.

MACON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

November 30, 2008

Note 1 - Budgetary Process, continued

- 9) Expenditures are classified into three broad categories - personnel, supplies and materials, and equipment. Transfers of budgeted line items may be made within an expenditure category of a fund by the elected official or department head without seeking approval of the County Board. Transfers or any budget amendments made during the year are reflected in the budget information included in the financial statements.
- 10) Formal budgetary integration is employed as a management control device during the year through an internal reporting basis for all budgeted funds. It is budgetary control policy that expenditures do not exceed appropriations. The legal level of budgetary control (level at which disbursements may not exceed budgets) is at the "three broad categories" level (personnel, supplies and materials, and equipment); however, budgetary control is also maintained with each department at the line item level. The County uses an encumbrance accounting system.
- 11) All nonencumbered appropriations lapse at year end, requiring reappropriation the following fiscal year.

Note 2 - Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the general and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Property tax revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

MACON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)
November 30, 2008

Note 2 - Budgetary Basis of Accounting, continued

The adjustments necessary to reconcile the GAAP and budgetary basis statements are as follows:

	General Fund	Illinois Municipal Retirement Fund	County Health	County Highway	Federal Aid Matching	Multi- Facility Lease
Net change in fund balance:						
GAAP basis, November 30, 2008	\$ 1,766,021	57,050	(369,994)	539,679	219,713	(168,849)
Taxes receivable at November 30, 2007	142,634	39,363	46,829	51,173	16,339	205,124
Taxes receivable at November 30, 2008	(127,694)	(76,026)	(49,682)	(45,973)	(14,673)	(168,876)
Encumbrances recognized as expenditures per budget basis at November 30, 2007	960				140,051	
Encumbrances recognized as expenditures per budget basis at November 30, 2008		(960)		(139,997)		
 Budget basis	 \$ 1,780,961	 20,387	 (372,847)	 404,882	 361,430	 (132,601)

Note 3 - Excess of Expenditures over Appropriations

Excess of expenditures over appropriations for the year ended November 30, 2008, are as follows:

	Expenditures	Appropriations	Difference
Major Funds:			
County Health Fund	\$ 6,316,242	5,977,018	339,224
Multi-Facility Lease Fund	5,769,166	5,659,101	110,065
Illinois Municipal Retirement Fund	2,108,138	1,766,003	342,135
Nonmajor Funds:			
Social Security Fund	1,117,876	1,116,089	1,787
Working Cash Fund	23		23
Women, Infants and Children's Grant Fund	1,115,975	466,300	649,675
County Clerk Automation Fund	67		67

COMBINING AND INDIVIDUAL FUND INFORMATION

MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS

November 30, 2008

	Special Revenue Funds			
	Law Enforcement Safety Tax Fund	Social Security Fund	Insurance Liability Fund	Judgment Repayment Fund
Assets				
Cash	\$ 125,217	456,427	2,584,205	3,457,279
Investments, at cost	763,710	1,059	6,231	487
Taxes receivable, net of allowance for uncollectibles		42,822	3,535	8,844
Accounts receivable				
Due from governmental agencies:				
State of Illinois	445,584			
Other governmental agencies			10,500	
Prepaid items		9,016	1,870	
Due from other funds	2,727	7,908	3,118	1,998
Total assets	1,337,238	517,232	2,609,459	3,468,608
Liabilities				
Cash drawn in excess of funds available				
Accounts payable	48,663	281	13,755	59,361
Accrued salaries	23,851		1,042	9,282
Deferred revenue				
Due to other funds	23,603	49,557	32,398	2,455
Total liabilities	96,117	49,838	47,195	71,098
Fund Balances				
Reserved for encumbrances	22,387			
Reserved for prepaid expenditures		9,016	1,870	
Reserved for disaster contingency	500,000			
Unreserved:				
Designated for future grant expenditures				
Designated for future investment in equipment				100,000
Undesignated	718,734	458,378	2,560,394	3,297,510
Total fund balances	1,241,121	467,394	2,562,264	3,397,510
Total liabilities and fund balances	\$ 1,337,238	517,232	2,609,459	3,468,608

(Continued)

Special Revenue Funds															
Working Cash Fund	Regional Planning Commission Fund	Community Health Foundation	Women, Infants, and Children Grant Fund	Home Modification Program	Special Bridge Fund	State-Township Bridge Fund	Circuit Clerk Automation Fund	Circuit Clerk Document Storage Fund	State's Attorney Drug Fund	State's Attorney Forfeited Federal Funds	County Clerk Automation Fund	Treasurer Automation Fund	GIS Automation Fund	Courtroom Security Fund	Sheriff's Drug Fund
309,540	40,726	27,812	157,668	33,862	848,805	21,097	157,489	279,543	3,415	131,792	1,916	91,342	338,782	267	56,201
1,330	696				2,399	362		1,362	424	524					
			1,975		17,295						272		890		
			28,205												
						163,120		33,504	93		6,955		23,462	4,552	
310,870	41,422	27,812	187,848	33,862	868,499	184,579	157,489	314,409	3,932	132,316	9,143	91,342	363,134	4,819	56,201
	38,062				7,412		43	4,344		17,813			52		
							3,271	3,036		332		136	2,308		
			263,656	73,441	184,169		33,392	5,800		11,400		2,468	2,035	435	
-	38,062	-	263,656	73,441	191,581	-	36,706	13,180	-	29,545	-	2,604	4,395	435	-
													5,116		
310,870	3,360	27,812	(75,808)	(39,579)	676,918	184,579	120,783	301,229	3,932	102,771	9,143	88,738	353,623	4,384	56,201
310,870	3,360	27,812	(75,808)	(39,579)	676,918	184,579	120,783	301,229	3,932	102,771	9,143	88,738	358,739	4,384	56,201
310,870	41,422	27,812	187,848	33,862	868,499	184,579	157,489	314,409	3,932	132,316	9,143	91,342	363,134	4,819	56,201

MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS (Continued)
November 30, 2008

	Special Revenue Funds				
	Animal Control Fund	Historical Museum Fund	Law Library Fund	Probation and Court Services Fund	Automation Fund
Assets					
Cash	\$260,680	4,991	74,937	555,834	226,097
Investments, at cost	504	8	274	1,395	112,602
Taxes receivable, net of allowance for uncollectibles		1,083			
Accounts receivable	7,358				419
Due from governmental agencies:					
State of Illinois					
Other governmental agencies	21,431				
Prepaid items					
Due from other funds	3,761				3,288
Total assets	293,734	6,082	75,211	557,229	342,406
Liabilities					
Cash drawn in excess of funds available					
Accounts payable	11,596		3,002		2,777
Accrued salaries	19,666	1,598	818		2,117
Deferred revenue	149,049				
Due to other funds	3,064		3,989	118,000	
Total liabilities	183,375	1,598	7,809	118,000	4,894
Fund Balances					
Reserved for encumbrances	27,966				
Reserved for prepaid expenditures					
Reserved for disaster contingency					
Unreserved:					
Designated for future grant expenditures					
Designated for future investment in equipment					
Undesignated	82,393	4,484	67,402	439,229	337,512
Total fund balances	110,359	4,484	67,402	439,229	337,512
Total liabilities and fund balances	\$293,734	6,082	75,211	557,229	342,406

See Notes to Financial Statements.

Capital Projects Funds

Solid Waste Management Fund	Veterans Assistance Commission Fund	Workforce Investment Solutions Fund	State's Attorney Grant Fund	Sheriff's Grant Fund	ESDA Grant Fund	Probation Grant Fund	Total	Health Capital Improvements Fund	Total Nonmajor Governmental Funds
76	116,480	61,566	141,685	120,704	138	17,428	10,704,001	94,991	10,798,992
1,327,577	1,148						2,222,092		2,222,092
	2,830						76,409		76,409
							10,914		10,914
4,448		26,155	45,453	26,734		151,100	727,679		727,679
32,599							64,530		64,530
							10,886		10,886
40,137			4,559	3,455	243		302,880		302,880
1,404,837	120,458	87,721	191,697	150,893	381	168,528	14,119,391	94,991	14,214,382
13,957							13,957		13,957
18,656	922	84,857	48,497	592		109,336	470,021		470,021
5,267	2,779	19,679	13,249	2,002			110,433		110,433
				1,335		29,797	180,181		180,181
1,962		88,442	34,398	4,634		12,643	951,941	3,639	955,580
39,842	3,701	192,978	96,144	8,563	-	151,776	1,726,533	3,639	1,730,172
9,971							65,440		65,440
							10,886		10,886
							500,000		500,000
			95,553	142,330	381	16,752	255,016		255,016
							100,000		100,000
1,355,024	116,757	(105,257)					11,461,516	91,352	11,552,868
1,364,995	116,757	(105,257)	95,553	142,330	381	16,752	12,392,858	91,352	12,484,210
1,404,837	120,458	87,721	191,697	150,893	381	168,528	14,119,391	94,991	14,214,382

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 Year ended November 30, 2008

	Special Revenue Funds					Special Revenue Funds						
	Law Enforcement Safety Tax Fund	Social Security Fund	Insurance Liability Fund	Judgment Repayment Fund	Working Cash Fund	Regional Planning Commission Fund	Community Health Foundation	Women, Infants, and Children Grant Fund	Home Modification Program	Special Bridge Fund	State-Township Bridge Fund	Circuit Clerk Automation Fund
Revenues:												
Taxes	\$ 2,577,745	1,204,302	99,499	248,748						486,423		
Intergovernmental	94,213							1,173,188	21,902	167,275	186,607	
Fines, fees, forfeitures	166,406											205,561
Interest on investments	29,137	6,791	46,844	93,072	5,621	750	398	2,954	520	13,173	485	2,195
Miscellaneous	8,403		16,797	12,230		16	70,915	1,008				
Total revenues	2,875,904	1,211,093	163,140	354,050	5,621	766	71,313	1,177,150	22,422	666,871	187,092	207,756
Expenditures:												
Current:												
General control and administration		1,117,876	390,823	441,568	23							
Public safety	2,958,003											
Judiciary and court-related												216,030
Public health and welfare							43,501	1,115,264	55,891			
Transportation										395,519	173,423	
Capital outlay	253,618			32,612				711				
Total expenditures	3,211,621	1,117,876	390,823	474,180	23	-	43,501	1,115,975	55,891	395,519	173,423	216,030
Excess (deficiency) of revenues over (under) expenditures	(335,717)	93,217	(227,683)	(120,130)	5,598	766	27,812	61,175	(33,469)	271,352	13,669	(8,274)
Other financing sources (uses):												
Transfers out			(150,000)					(115,144)	(476)			
Total other financing sources (uses)	-	-	(150,000)	-	-	-	-	(115,144)	(476)	-	-	-
Net change in fund balances	(335,717)	93,217	(377,683)	(120,130)	5,598	766	27,812	(53,969)	(33,945)	271,352	13,669	(8,274)
Fund balances (deficit), beginning of year	1,576,838	374,177	2,939,947	3,517,640	305,272	2,594		(21,839)	(5,634)	405,566	170,910	129,057
Fund balances (deficit), end of year	\$ 1,241,121	467,394	2,562,264	3,397,510	310,870	3,360	27,812	(75,808)	(39,579)	676,918	184,579	120,783

(Continued)

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)
 Year ended November 30, 2008

	Special Revenue Funds							Special Revenue Funds						
	Circuit Clerk Document Storage Fund	State's Attorney Drug Fund	State's Attorney Forfeited Federal Funds	County Clerk Automation Fund	Treasurer Automation Fund	GIS Automation Fund	Courtroom Security Fund	Sheriff's Drug Fund	Animal Control Fund	Historical Museum Fund	Law Library Fund	Probation and Court Services Fund	Automation Fund	Solid Waste Management Fund
Revenues:														
Taxes	\$									30,335				
Intergovernmental									353,085	31,018				70,234
Fines, fees, forfeitures	107,055	10,790	51,438	46,744	47,765	207,773		134,161	436,136		62,566	337,772	131,504	188,132
Interest on investments	5,400	46	2,807	691	1,638	7,822	3		5,151	41	1,380	7,738	11,204	35,498
Miscellaneous		6,218				4,767			38,268		973			221
Total revenues	112,455	17,054	54,245	47,435	49,403	220,362	3	134,161	832,640	61,394	64,919	345,510	142,708	294,085
Expenditures:														
Current:														
General control and administration					32,579	44,273				57,686			93,190	
Public safety								71,534	682,024					
Judiciary and court-related	139,269	16,798	23,785	67							33,040	31		
Public health and welfare														313,963
Transportation														
Capital outlay		157	21,270			28,962		17,145	46,643		19,249		2,952	15,634
Total expenditures	139,269	16,955	45,055	67	32,579	73,235	-	88,679	728,667	57,686	52,289	31	96,142	329,597
Excess (deficiency) of revenues over (under) expenditures	(26,814)	99	9,190	47,368	16,824	147,127	3	45,482	103,973	3,708	12,630	345,479	46,566	(35,512)
Other financing sources (uses):														
Transfers out				(45,000)					(39,800)	(400)		(118,000)		(61,800)
Total other financing sources (uses)	-	-	-	(45,000)	-	-	-	-	(39,800)	(400)	-	(118,000)	-	(61,800)
Net change in fund balances	(26,814)	99	9,190	2,368	16,824	147,127	3	45,482	64,173	3,308	12,630	227,479	46,566	(97,312)
Fund balances (deficit), beginning of year	328,043	3,833	93,581	6,775	71,914	211,612	4,381	10,719	46,186	1,176	54,772	211,750	290,946	1,462,307
Fund balances (deficit), end of year	\$ 301,229	3,932	102,771	9,143	88,738	358,739	4,384	56,201	110,359	4,484	67,402	439,229	337,512	1,364,995

(Continued)

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)
 Year ended November 30, 2008

	Special Revenue Funds						Capital Projects Funds	
	Veterans Assistance Commission Fund	Workforce Investment Solutions Fund	State's Attorney Grant Fund	Sheriff's Grant Fund	ESDA Grant Fund	Probation Grant Fund	Health Capital Improvements Fund	Total Nonmajor Governmental Funds
Revenues:								
Taxes	\$ 79,630							4,726,682
Intergovernmental		1,984,909	376,104	146,215		413,618		5,018,368
Fines, fees, forfeitures			67,661					2,201,464
Interest on investments	2,492	435			2	1,099	2,628	288,015
Miscellaneous		21,419	5,302	31	8			186,576
Total revenues	82,122	2,006,763	449,067	146,246	10	414,717	2,628	12,421,105
Expenditures:								
Current:								
General control and administration								2,178,018
Public safety								3,711,561
Judiciary and court-related								429,020
Public health and welfare	97,894	2,056,192	464,008	92,573		408,927	7,652	4,655,865
Transportation								568,942
Capital outlay	9,530		12,420				10,117	471,020
Total expenditures	107,424	2,056,192	476,428	92,573	-	408,927	17,769	12,014,426
Excess (deficiency) of revenues over (under) expenditures	(25,302)	(49,429)	(27,361)	53,673	10	5,790	(15,141)	406,679
Other financing sources (uses):								
Transfers out	(7,000)	(16,556)						(554,176)
Total other financing sources (uses)	(7,000)	(16,556)	-	-	-	-	-	(554,176)
Net change in fund balances	(32,302)	(65,985)	(27,361)	53,673	10	5,790	(15,141)	(147,497)
Fund balances (deficit), beginning of year	149,059	(39,272)	122,914	88,657	371	10,962	106,493	12,631,707
Fund balances (deficit), end of year	\$ 116,757	(105,257)	95,553	142,330	381	16,752	91,352	12,484,210

See Notes to Financial Statements.

GENERAL CORPORATE FUND

The General Corporate Fund is used to account for resources traditionally associated with government which are not required legally, or by sound financial management to be accounted for in another fund.

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
BALANCE SHEET
November 30, 2008

Assets

Cash	\$ 2,087,561
Investments, at cost	4,991,088
Taxes receivable	127,694
Accounts receivable	64,936
Inventory	12,608
Due from governmental agencies:	
State of Illinois	1,594,686
Other governmental agencies	111,959
Prepaid items	59,565
Restricted cash	240,836
Due from other funds	526,661
	<hr/>
Total assets	9,817,594
	<hr/> <hr/>

Liabilities

Accounts payable	275,763
Accrued salaries	510,209
Deferred revenue	116,977
Due to other funds	360,306
	<hr/>
Total liabilities	1,263,255
	<hr/> <hr/>

Fund Balances

Reserved for encumbrances	960
Reserved for inventory	12,608
Reserved for prepaid expenditures	59,565
Reserved by statute	228,782
Unreserved:	
Designated for insurance and retiree health benefits	1,000,000
Designated for cash flow and emergency reserves	1,500,000
Undesignated	5,752,424
	<hr/>
Total fund balances	8,554,339
	<hr/> <hr/>
Total liabilities and fund balances	\$ 9,817,594
	<hr/> <hr/>

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE
Year ended November 30, 2008

Revenues:		
Taxes	\$	9,573,833
Intergovernmental		2,248,050
Fines, fees, forfeitures		4,068,250
Licenses and permits		110,004
Interest on investments		182,004
Miscellaneous revenue		<u>1,666,134</u>
Total revenues		<u>17,848,275</u>
Expenditures:		
Current:		
General control and administration		3,588,757
Public safety		6,321,234
Judiciary and court-related		6,257,298
Public health and welfare		156,068
Capital outlay		<u>198,703</u>
Total expenditures		<u>16,522,060</u>
Excess of revenues over expenditures		1,326,215
Other financing sources (uses):		
Transfers in		<u>439,806</u>
Net change in fund balance		1,766,021
Fund balance, beginning of year		<u>6,788,318</u>
Fund balance, end of year	\$	<u><u>8,554,339</u></u>

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Taxes:			
Property taxes	\$ 3,638,746	3,633,613	(5,133)
Retailers' occupational tax	3,075,000	3,432,264	357,264
Illinois State income tax	1,425,000	1,644,429	219,429
Illinois personal property replacement tax	705,000	814,792	109,792
Inheritance tax	70,000	63,675	(6,325)
Total revenues, taxes	8,913,746	9,588,773	675,027
Intergovernmental:			
Contracts, municipalities	340,000	449,617	109,617
State Board of Elections	42,000	41,857	(143)
Salary reimbursements	1,135,200	1,130,297	(4,903)
Sheriff training reimbursement	34,000	12,162	(21,838)
Illinois Department of Human Services, IV-D:			
Circuit Clerk IV-D	57,319	59,557	2,238
State's Attorney Child Support Enforcement	327,800	357,869	30,069
City Mapping contract		364	364
Sheriff SCAAP funding		8,702	8,702
State's Attorney Grants:			
Attorney General Victim Witness	27,000	29,752	2,752
Deferred Prosecution Grant	12,000	5,765	(6,235)
708 Board Deferred Prosecution	23,192	24,307	1,115
Redeploy Illinois Grant	25,635	22,692	(2,943)
Public Defender Grants:			
Defense services grant	81,000	94,500	13,500
Mental Health Board Grant	10,000	10,609	609
Total revenues, intergovernmental	2,115,146	2,248,050	132,904

(Continued)

MACON COUNTY, ILLINOIS

**GENERAL CORPORATE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues (continued):			
Fines, fees, forfeitures:			
Circuit Clerk	\$ 1,708,260	1,872,336	164,076
State's Attorney	400,000	364,892	(35,108)
County Recorder	500,000	506,506	6,506
County Sheriff	320,000	333,068	13,068
County Collector	623,400	699,276	75,876
County Clerk	350,000	292,172	(57,828)
Total revenues, fines, fees, forfeitures	3,901,660	4,068,250	166,590
Licenses and permits:			
Building, rezoning permits	80,000	101,834	21,834
Liquor license	6,350	8,170	1,820
Total revenues, licenses and permits	86,350	110,004	23,654
Interest on investments	162,900	182,004	19,104
Miscellaneous revenues:			
Miscellaneous receipts and refunds	5,000	15,272	10,272
State's Attorney		28	28
Probation		3,112	3,112
Sheriff sales and commissions	285,000	409,732	124,732
Health insurance premiums received	1,119,861	1,146,412	26,551
Franchise fees	66,000	91,578	25,578
Total miscellaneous revenues	1,475,861	1,666,134	190,273
Total revenues	16,655,663	17,863,215	1,207,552

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures:			
General Control and Administration:			
County Clerk:			
Salaries	\$ 196,421	195,753	668
Hospitalization	36,630	36,630	
	<u>233,051</u>	<u>232,383</u>	<u>668</u>
Postage	10,000	3,064	6,936
Telephone	4,000	2,314	1,686
Copy machine	3,000	3,100	(100)
Supplies	11,061	8,227	2,834
Legal advertising	400	117	283
EDP	19,000	18,720	280
Miscellaneous	1,000	591	409
	<u>48,461</u>	<u>36,133</u>	<u>12,328</u>
Total County Clerk	<u>281,512</u>	<u>268,516</u>	<u>12,996</u>
County Clerk - Elections:			
Salaries	290,000	276,177	13,823
Hospitalization	18,315	16,789	1,526
	<u>308,315</u>	<u>292,966</u>	<u>15,349</u>
Rental polling places	7,000	5,740	1,260
Postage	30,000	11,335	18,665
Legal advertising	45,000	48,415	(3,415)
Supplies	260,000	241,766	18,234
Miscellaneous drayage	20,000	14,117	5,883
	<u>362,000</u>	<u>321,373</u>	<u>40,627</u>
Total County Clerk - Elections	<u>670,315</u>	<u>614,339</u>	<u>55,976</u>
County Recorder:			
Salaries	182,376	181,358	1,018
Hospitalization	30,525	30,525	
	<u>212,901</u>	<u>211,883</u>	<u>1,018</u>
Travel	1,200	1,058	142
Postage	1,800	836	964
Dues	375	375	
Telephone	1,600	1,419	181
Maintenance of equipment	350	420	(70)
Copy machine	2,900	1,351	1,549
Supplies	4,830	3,696	1,134
Book repair	1,000	897	103
	<u>14,055</u>	<u>10,052</u>	<u>4,003</u>
Total County Recorder	<u>226,956</u>	<u>221,935</u>	<u>5,021</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
County Treasurer:			
Salaries	\$ 195,395	195,756	(361)
Hospitalization	30,525	30,525	
	<u>225,920</u>	<u>226,281</u>	<u>(361)</u>
Postage	17,882	16,357	1,525
Telephone	4,100	3,320	780
Travel			
Legal advertising	4,750	5,068	(318)
Dues	600	570	30
Copy machine	400	480	(80)
EDP	10,500	10,563	(63)
Maintenance of equipment	200		200
Miscellaneous	165	103	62
Supplies	1,300	1,307	(7)
Printing	4,000	4,436	(436)
Training	150	149	1
	<u>44,047</u>	<u>42,353</u>	<u>1,694</u>
Total County Treasurer	<u>269,967</u>	<u>268,634</u>	<u>1,333</u>
Auditor:			
Salaries	270,049	248,848	21,201
Hospitalization	48,840	42,735	6,105
	<u>318,889</u>	<u>291,583</u>	<u>27,306</u>
Postage	2,500	1,990	510
Telephone	3,300	3,325	(25)
Travel	150	117	33
Supplies	5,530	5,526	4
Legal advertising	(50)	(61)	11
EDP	15,246	15,336	(90)
Training	894	790	104
Contractual services	500		500
Dues	860	860	
Copy machine	2,770	2,184	586
Professional services	4,500	2,020	2,480
	<u>36,200</u>	<u>32,087</u>	<u>4,113</u>
Total Auditor	<u>355,089</u>	<u>323,670</u>	<u>31,419</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
County Board:			
Salaries	\$ 189,118	178,919	10,199
Hospitalization	80,000	63,085	16,915
	<u>269,118</u>	<u>242,004</u>	<u>27,114</u>
Facility lease	45,000	45,000	
Travel	1,050	411	639
Postage	2,000	812	1,188
Library	900	294	606
Telephone	6,200	4,757	1,443
Maintenance of equipment	900	864	36
Legal advertising	500	1,614	(1,114)
Copy machine	2,000	838	1,162
Contractual services	29,355	18,550	10,805
Dues	2,545	2,075	470
Training	1,500	775	725
Supplies	5,400	2,412	2,988
Car expense	4,500	5,249	(749)
Miscellaneous	250	55	195
	<u>102,100</u>	<u>83,706</u>	<u>18,394</u>
Total County Board	<u>371,218</u>	<u>325,710</u>	<u>45,508</u>
Supervisor of Assessments:			
Salaries	213,905	207,378	6,527
Hospitalization	42,735	42,735	
	<u>256,640</u>	<u>250,113</u>	<u>6,527</u>
Travel	3,800	3,744	56
Training	4,000	3,910	90
Dues	325	325	
Legal advertising	15,000	11,158	3,842
EDP	28,675	24,265	4,410
Copy machine		(5,568)	5,568
Supplies	6,000	3,288	2,712
Car expense, field assessors	1,800	1,324	476
Postage	5,000	4,033	967
Telephone	2,500	2,251	249
	<u>67,100</u>	<u>48,730</u>	<u>18,370</u>
Total Supervisor of Assessments	<u>323,740</u>	<u>298,843</u>	<u>24,897</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
Board of Review:			
Salaries	\$ 46,800	46,800	
Hospitalization	18,315	18,315	
	<u>65,115</u>	<u>65,115</u>	<u>-</u>
Travel	800	431	369
Training	1,200	386	814
Supplies	200		200
Postage	1,250	401	849
Appraisal research	10,000	5,588	4,412
Legal advertising	1,500	1,386	114
	<u>14,950</u>	<u>8,192</u>	<u>6,758</u>
Total Board of Review	<u>80,065</u>	<u>73,307</u>	<u>6,758</u>
Miscellaneous:			
Telephone	(450)	(40)	(410)
CPA	91,820	91,820	
Supplies	9,247	9,678	(431)
Network - EDP	30,000	17,827	12,173
Postage	20,230	4,528	15,702
Miscellaneous	2,053	235	1,818
Hospitalization	1,317,873	1,069,755	248,118
Contingency	25,000		25,000
	<u>1,495,773</u>	<u>1,193,803</u>	<u>301,970</u>
Total Miscellaneous	<u>1,495,773</u>	<u>1,193,803</u>	<u>301,970</u>
Total General Control and Administration	<u>4,074,635</u>	<u>3,588,757</u>	<u>485,878</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
Public Safety:			
County Sheriff:			
Salaries	\$ 3,286,325	3,190,060	96,265
Hospitalization		(1,526)	1,526
	<u>3,286,325</u>	<u>3,188,534</u>	<u>97,791</u>
Travel	1,100	1,034	66
Investigation	1,500	896	604
Law enforcement training	23,900	21,831	2,069
Postage	9,000	6,672	2,328
Maintenance of equipment	3,000	2,623	377
Maintenance of radio equipment	20,000	16,991	3,009
Copy machine	22,000	19,319	2,681
Telephone	30,000	22,090	7,910
Youth Advocate service	6,000	6,000	
Legal advertising	2,000	598	1,402
Merit commission	200	140	60
	<u>118,700</u>	<u>98,194</u>	<u>20,506</u>
Total County Sheriff	<u>3,405,025</u>	<u>3,286,728</u>	<u>118,297</u>
Law Facilities Center:			
Salaries and payroll	2,965,911	2,895,616	70,295
	<u>2,965,911</u>	<u>2,895,616</u>	<u>70,295</u>
Training	38,700	24,414	14,286
Transport prisoners	30,000	17,251	12,749
Testing	1,500	935	565
Maintenance of equipment	2,000	2,000	
Copy machine	300	227	73
Supplies	15,000	57,514	(42,514)
Supplies, law enforcement	3,000	2,376	624
Supplies, laundry	12,000	10,929	1,071
Photo supplies, processing	9,500	7,920	1,580
Uniforms and related items	15,500	15,189	311
Travel	300	135	165
	<u>127,800</u>	<u>138,890</u>	<u>(11,090)</u>
Total Law Facilities Center	<u>3,093,711</u>	<u>3,034,506</u>	<u>59,205</u>
Total Public Safety	<u>6,498,736</u>	<u>6,321,234</u>	<u>177,502</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related:			
Circuit Clerk:			
Salaries	\$ 747,537	743,816	3,721
Hospitalization	195,360	195,675	(315)
	<u>942,897</u>	<u>939,491</u>	<u>3,406</u>
Separate maintenance expenses	40,000	22,515	17,485
Travel and dues	2,900	2,490	410
Supplies	42,287	42,431	(144)
Professional services	500		500
Postage	11,000	10,120	880
Telephone	6,700	6,944	(244)
Dues	484	484	
Copy machine	6,320	6,240	80
Legal advertising	3,260	3,763	(503)
	<u>113,451</u>	<u>94,987</u>	<u>18,464</u>
Total Circuit Clerk	<u>1,056,348</u>	<u>1,034,478</u>	<u>21,870</u>
State's Attorney:			
Salaries	1,028,899	1,028,716	183
Hospitalization	212,335	212,335	
	<u>1,241,234</u>	<u>1,241,051</u>	<u>183</u>
Supplies	12,700	12,160	540
Court costs, transcripts, appeals	18,500	18,134	366
Investigations	7,385	7,815	(430)
Appellate services	27,000	27,000	
Institute training	3,600	3,525	75
Postage	4,964	4,964	
Telephone	20,000	19,738	262
State's Attorney's library	12,650	13,450	(800)
CASA program	10,000	10,000	
Copy machine	12,236	11,645	591
Miscellaneous	135	135	
Mental exams/court transcribers	1,000	1,000	
	<u>130,170</u>	<u>129,566</u>	<u>604</u>
Total State's Attorney	<u>1,371,404</u>	<u>1,370,617</u>	<u>787</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
State's Attorney, Title IV-D, Public Aid:			
Salaries	\$ 240,073	271,189	(31,116)
Hospitalization	34,595	34,595	
	<u>274,668</u>	<u>305,784</u>	<u>(31,116)</u>
Postage	6,926	6,967	(41)
Telephone	200	167	33
Grant administration			
Institute training	41	41	
Copy machine	1,450	1,219	231
Supplies	9,500	9,247	253
Library	11,300	10,943	357
Court costs, appeals	3,200	3,103	97
Miscellaneous	50	11	39
	<u>32,667</u>	<u>31,698</u>	<u>969</u>
Total State's Attorney, Title IV-D, Public Aid	<u>307,335</u>	<u>337,482</u>	<u>(30,147)</u>
Probation Officers:			
Salaries	1,461,189	1,398,672	62,517
Hospitalization	219,780	219,271	509
	<u>1,680,969</u>	<u>1,617,943</u>	<u>63,026</u>
Travel	3,000	823	2,177
Postage	3,500	3,033	467
Telephone	17,150	15,802	1,348
Supplies	7,000	6,007	993
Gas and oil	72,364	63,404	8,960
Offender services	51,363	39,785	11,578
Electronic monitoring	10,000	2,426	7,574
EDP	18,000	14,600	3,400
Institute training	5,000	549	4,451
Private homes			
Contractual services	295,347	295,072	275
Dues	3,500	1,632	1,868
	<u>486,224</u>	<u>443,133</u>	<u>43,091</u>
Total Probation Officers	<u>2,167,193</u>	<u>2,061,076</u>	<u>106,117</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
Public Defender:			
Salaries	\$ 737,569	736,917	652
Hospitalization	86,000	85,979	21
	<u>823,569</u>	<u>822,896</u>	<u>673</u>
Telephone	2,000	168	1,832
Postage	1,000	151	849
EDP	44,496	16,392	28,104
Training	100	30	70
Contractual Services	2,500	2,202	298
Dues	50		50
Publications	700	538	162
Supplies	7,400	4,923	2,477
Investigations	6,000	2,018	3,982
Mental exams, court costs	23,500	23,637	(137)
Transcripts	6,000	1,595	4,405
	<u>93,746</u>	<u>51,654</u>	<u>42,092</u>
Total Public Defender	<u>917,315</u>	<u>874,550</u>	<u>42,765</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
Circuit Court:			
Salaries, jury commission	\$ 6,000	5,525	475
Salaries, circuit court	365,900	335,430	30,470
Hospitalization	79,365	76,821	2,544
	<u>451,265</u>	<u>417,776</u>	<u>33,489</u>
Mental exams	1,600		1,600
Transcripts	2,500	2,408	92
Jury fees	99,500	59,156	40,344
Jury meals	5,000	3,575	1,425
Juror mileage		6,600	(6,600)
Postage	6,600	6,568	32
Parking - jurors	9,600	8,850	750
Interpreters	3,250	3,688	(438)
Pro rata share of Circuit and Associate Judges' salaries	4,000	3,964	36
Attorney fees - Court of Appeals	14,250	6,343	7,907
Telephone	13,500	13,556	(56)
Maintenance of equipment	1,000	1,062	(62)
Supplies	6,000	4,414	1,586
Supplies, automation	4,000	3,358	642
Supplies, jury	2,000	1,781	219
Court and judge law library	17,200	17,673	(473)
EDP	14,000	13,961	39
Training	3,200	2,584	616
Legal advertising	500	278	222
Contractual services	500		500
Circuit Court Chief Justice	2,000	1,500	500
	<u>210,200</u>	<u>161,319</u>	<u>48,881</u>
Total Circuit Court	661,465	579,095	82,370
Total Judiciary and Court-Related	<u>6,481,060</u>	<u>6,257,298</u>	<u>223,762</u>

(Continued)

MACON COUNTY, ILLINOIS

**GENERAL CORPORATE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
Year ended November 30, 2008**

	Budget	Actual	Variance
Expenditures (continued):			
Public Health and Welfare:			
Superintendent, Regional Office of Education:			
Salaries	\$ 89,749	89,749	
Hospitalization	16,775	16,775	
Fringes	2,850	1,407	1,443
	<u>109,374</u>	<u>107,931</u>	<u>1,443</u>
Superintendent travel	4,135	2,481	1,654
Assistant Superintendent travel		1,654	(1,654)
Utilities	7,443	6,790	653
Postage	4,549	3,652	897
Dues		1,846	(1,846)
Telephone	4,549	4,098	451
Building maintenance, lease	25,306	24,800	506
Copy machine	3,308	1,658	1,650
Supplies	1,158	1,158	
	<u>50,448</u>	<u>48,137</u>	<u>2,311</u>
Total Superintendent, Regional Office of Education	<u>159,822</u>	<u>156,068</u>	<u>3,754</u>
Total Public Health and Welfare	<u>159,822</u>	<u>156,068</u>	<u>3,754</u>
Capital Outlay:			
County Administration	17,100	13,301	3,799
Circuit Clerk	900		900
Sheriff	140,372	130,082	10,290
State's Attorney	28,150	28,150	
State's Attorney IV-D	5,700	5,614	86
Supervisor of Assessments	6,000	5,317	683
Board of Review	300	222	78
Public Defender	10,000	7,791	2,209
Probation	600	140	460
Circuit Courts	4,000	2,117	1,883
Auditor	6,500	5,969	531
	<u>219,622</u>	<u>198,703</u>	<u>20,919</u>
Total Capital Outlay	<u>219,622</u>	<u>198,703</u>	<u>20,919</u>
Total expenditures	<u>17,433,875</u>	<u>16,522,060</u>	<u>911,815</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(778,212)</u>	<u>1,341,155</u>	<u>2,119,367</u>

(Continued)

MACON COUNTY, ILLINOIS

**GENERAL CORPORATE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008**

	Budget	Actual	Variance
Other financing sources (uses):			
Transfers in:			
Fund administration fees	250,000	185,006	(64,994)
Transfer from Animal Control	30,000	30,000	
Transfer from County Clerk Automation	46,200	45,000	(1,200)
Probation and Court Services Fund reimbursement	200,000	118,000	(82,000)
Transfer from Solid Waste	61,800	61,800	
Total other financing sources (uses)	<u>588,000</u>	<u>439,806</u>	<u>(148,194)</u>
Net changes in fund balance	<u>\$ (190,212)</u>	1,780,961	<u>1,971,173</u>
Budgetary fund balance, beginning of year		<u>6,644,724</u>	
Budgetary fund balance, end of year		<u>\$ 8,425,685</u>	

MACON COUNTY, ILLINOIS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenue from specific taxes or other earmarked revenue sources, which by statute, charter provision, or local ordinance, are designated to finance particular functions or activities of the government.

The Law Enforcement Safety Tax Fund (LEST) accounts for sales tax revenue and expenditures restricted for safety issues.

The Social Security Fund accounts for revenue, including property tax levies and contributions from employees, and expenditures to the federal government for payroll taxes.

The Insurance Liability Fund accounts for a county-wide property tax levy used to pay the cost of providing liability insurance coverage for the entire entity.

The Judgment Repayment Fund accounts for a county-wide property tax levy for judgments against the County, arbitrators for union negotiations and special prosecutors.

The Working Cash Fund provides for short-term loans to other funds.

The Women, Infants, and Children Grant Fund (WIC) accounts for revenue, including grants from the State of Illinois, and expenditures to carry out the directives of the WIC programs.

The Home Modification Fund accounts for revenue and expenditures to carry out program purposes.

The Special Bridge Fund accounts for revenue, including property tax levies, and expenditures for the County's share of bridge construction and maintenance.

The State-Township Bridge Fund accounts for revenue from the State of Illinois and expenditures to townships for bridge repairs and construction.

The Circuit Clerk Automation Fund accounts for fees collected by the Circuit Clerk and expenditures designated for the computerization of the Circuit Clerk's office.

The Circuit Clerk Document Storage Fund accounts for fees collected for the Circuit Clerk's storage of various documents and expenditures for electronic document storage.

The County Clerk Automation Fund accounts for fees collected by the County Clerk for the filing of various documents and expenditures designated for the computerization of the document storage system of this department.

The Treasurer Automation Fund accounts for fees collected by the Treasurer for the filing of various documents and expenditures designated for the computerization of this department.

The Geographic Information Systems Fund (GIS) accounts for fees collected by the recorder's office and expenditures for computerization of the County offices.

MACON COUNTY, ILLINOIS

SPECIAL REVENUE FUNDS (Continued)

The Courtroom Security Fund accounts for expenditures for public safety.

The Animal Control Fund accounts for revenue, including fees collected by the Animal Shelter and a contract with the City of Decatur, and expenditures relating to Animal Control for the County.

The Historical Museum Fund accounts for revenue, including reimbursements received from the Macon County Historical Society and property tax levies, and expenditures relating to the operation of the Macon County Historical Museum.

The Law Library Fund accounts for revenue, including fees from the Circuit Clerk, and expenditures relating to purchases of law reference material.

The Automation Fund accounts for fees collected by the Recorder for the filing of various documents and expenditures designated for the computerization of the document storage system of this department.

The Solid Waste Management Fund accounts for revenue and expenditures relating to solid waste education, plans and study.

The Veterans Assistance Commissions Fund accounts for revenue, including property tax levies, and expenditures relating to services for veterans.

The Workforce Investment Solutions Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grant's purposes.

The State's Attorney Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

The Sheriff's Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

The Emergency Management Agency Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

The Probation Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

MACON COUNTY, ILLINOIS

**LAW ENFORCEMENT SAFETY TAX FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Illinois Safety tax	\$ 2,465,000	2,577,745	112,745
Interest on investments	94,040	29,137	(64,903)
Fines, fees, forfeitures:			
Court security fees	154,110	161,966	7,856
Coroner fees	2,500	4,440	1,940
Intergovernmental:			
Building Commission share of security	15,860	16,393	533
Salary reimbursement - Coroner	1,565	5,018	3,453
City Emergency Management fee	10,000	10,000	
Nuclear Safety Block Grant	11,000	5,276	(5,724)
FEMA Grants	35,000	42,449	7,449
FEMA Disaster Relief		336	336
Exelon equipment grant	15,000	14,741	(259)
Miscellaneous		8,403	8,403
Total revenues	2,804,075	2,875,904	71,829
Expenditures:			
Public Safety:			
County Sheriff:			
Salaries	324,411	124,712	199,699
Group hospitalization	967,434	947,801	19,633
MIS contractual services	25,483	16,201	9,282
Telephone	517	18	499
Medical	280,000	230,481	49,519
Dietary	340,000	307,049	32,951
Prisoner transport	71,600	17,584	54,016
Supplies	18,900	17,665	1,235
Auto expense	133,500	138,702	(5,202)
Uniforms	20,000	20,186	(186)
Total County Sheriff	2,181,845	1,820,399	361,446
Court Security:			
Salaries	388,401	358,027	30,374
Travel	1,000	195	805
Supplies	6,200	4,509	1,691
Uniforms	2,500	1,121	1,379
Total Court Security	398,101	363,852	34,249

(Continued)

MACON COUNTY, ILLINOIS

LAW ENFORCEMENT SAFETY TAX FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures, continued:			
Public Safety, continued:			
Coroner:			
Salaries	\$ 117,179	116,318	861
Group hospitalization	18,315	18,315	
Maintenance of equipment	375	368	7
Telephone	1,650	1,656	(6)
Travel	350	688	(338)
Postage	275	253	22
Dues	525	513	12
Investigations	3,000	2,340	660
Autopsy - medical	69,666	70,879	(1,213)
Supplies	3,750	3,559	191
Total Coroner	215,085	214,889	196
Assistant State's Attorney:			
Salaries	442,900	442,900	
Emergency Management Agency:			
Salaries	93,799	75,074	18,725
Group hospitalization	18,315	12,210	6,105
Maintenance of equipment	12,000	7,639	4,361
Telephone	6,500	5,173	1,327
Travel	1,300	258	1,042
Postage and printing	800	205	595
Dues	200	45	155
Underwater search	500	378	122
Nuclear Safety Block Grant	11,000	7,002	3,998
Supplies	4,000	3,254	746
Car - gas and oil	5,000	2,870	2,130
Miscellaneous	2,500	1,855	645
Total Emergency Management Agency	155,914	115,963	39,951
Total Public Safety expenditures	3,393,845	2,958,003	435,842

(Continued)

MACON COUNTY, ILLINOIS

**LAW ENFORCEMENT SAFETY TAX FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008**

	Budget	Actual	Variance
Expenditures, continued:			
Capital Outlay:			
County Sheriff	273,000	231,169	41,831
Coroner	385	385	
Emergency Management Agency	45,000	44,451	549
Total Capital Outlay	<u>318,385</u>	<u>276,005</u>	<u>42,380</u>
Total expenditures	<u>3,712,230</u>	<u>3,234,008</u>	<u>478,222</u>
Net change in fund balance	<u>\$ (908,155)</u>	<u>(358,104)</u>	<u>550,051</u>
Budgetary fund balance, beginning of year		<u>1,576,838</u>	
Budgetary fund balance, end of year		<u>\$ 1,218,734</u>	

MACON COUNTY, ILLINOIS

SOCIAL SECURITY FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,211,000	1,199,663	(11,337)
Interest on investments	6,000	6,791	791
Total revenues	1,217,000	1,206,454	(10,546)
Expenditures:			
General Control and Administration:			
Personnel - payroll taxes	1,116,089	1,117,876	(1,787)
Net change in fund balance	<u>\$ 100,911</u>	88,578	<u>(12,333)</u>
Budgetary fund balance, beginning of year		<u>335,994</u>	
Budgetary fund balance, end of year		<u>\$ 424,572</u>	

MACON COUNTY, ILLINOIS

**INSURANCE LIABILITY FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 100,000	103,836	3,836
Interest on investments	36,000	46,844	10,844
Miscellaneous	2,000	16,797	14,797
Total revenues	<u>138,000</u>	<u>167,477</u>	<u>29,477</u>
Expenditures:			
General Control and Administration:			
Personnel - salaries	26,213	26,213	
Unemployment	15,000	15,102	(102)
Supplies and materials - insurance expense	346,600	332,008	14,592
Total expenditures	<u>387,813</u>	<u>373,323</u>	<u>14,490</u>
Excess (deficiency) of revenues over (under) expenditures	(249,813)	(205,846)	43,967
Other financing sources (uses):			
Transfers out - Self Insurance Fund	<u>(198,000)</u>	<u>(150,000)</u>	<u>48,000</u>
Net change in fund balance	<u>\$ (447,813)</u>	<u>(355,846)</u>	<u>91,967</u>
Budgetary fund balance, beginning of year		<u>2,914,575</u>	
Budgetary fund balance, end of year		<u>\$ 2,558,729</u>	

MACON COUNTY, ILLINOIS

**JUDGMENT REPAYMENT FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 250,000	251,714	1,714
Interest on investments	108,000	93,072	(14,928)
Lease income	3,000	12,230	9,230
Total revenues	361,000	357,016	(3,984)
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	182,310	183,348	(1,038)
Supplies and materials:			
Contractual	140,000	99,926	40,074
Special prosecutor	10,000		10,000
Miscellaneous	50	31	19
Payments of judgments	435,000	158,263	276,737
Total General Control and Administration	767,360	441,568	325,792
Capital Outlay	85,000	32,612	52,388
Total expenditures	852,360	474,180	378,180
Excess (deficiency) of revenues over (under) expenditures	(491,360)	(117,164)	374,196
Other financing sources (uses):			
Transfers out - General Fund	(2,000)		2,000
Net change in fund balance	\$ (493,360)	(117,164)	376,196
Budgetary fund balance, beginning of year		<u>3,505,830</u>	
Budgetary fund balance, end of year		<u>\$ 3,388,666</u>	

MACON COUNTY, ILLINOIS

**WORKING CASH FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Interest on investments	\$ 7,700	5,621	(2,079)
Expenditures:			
General Control and Administration:			
Supplies and materials:			
Service charge		23	(23)
Net change in fund balance	<u>\$ 7,700</u>	5,598	<u>(2,102)</u>
Budgetary fund balance, beginning of year		<u>305,272</u>	
Budgetary fund balance, end of year		<u>\$ 310,870</u>	

MACON COUNTY, ILLINOIS

WOMEN, INFANTS, AND CHILDREN GRANT FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Federal grant payments	\$ 505,112	454,391	(50,721)
Noncash grant assistance		718,797	718,797
Interest on investments	5,634	2,954	(2,680)
Miscellaneous income		1,008	1,008
Total revenues	510,746	1,177,150	666,404
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	281,004	278,482	2,522
Group hospitalization	56,639	40,065	16,574
Fringes, retirement, FICA	44,455	41,649	2,806
Supplies and materials:			
Travel	500	253	247
Supplies	79,852	26,551	53,301
Noncash assistance - food instruments		718,797	(718,797)
Contractual services	250	780	(530)
Dues and fees		150	(150)
Telephone	100	2,083	(1,983)
Incentives	2,000	6,454	(4,454)
Total Public Health and Welfare	464,800	1,115,264	(650,464)
Capital Outlay	1,500	711	789
Total expenditures	466,300	1,115,975	(649,675)
Excess of revenues over expenditures	44,446	61,175	16,729
Other financing sources (uses):			
Transfers out - Health Fund	(105,973)	(115,144)	(9,171)
Net change in fund balance	\$ (61,527)	(53,969)	7,558
Budgetary fund balance (deficit), beginning of year		(21,839)	
Budgetary fund balance (deficit), end of year		\$ (75,808)	

MACON COUNTY, ILLINOIS

HOME MODIFICATION FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
IHDA Home Modification grant	\$ 100,000	21,902	(78,098)
Interest on investments		520	520
Total revenues	<u>100,000</u>	<u>22,422</u>	<u>(77,578)</u>
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries		8,270	(8,270)
Group hospitalization		457	(457)
Fringes, retirement, FICA		281	(281)
Supplies and materials:			
Contractual services	100,000	46,883	53,117
Total Public Health and Welfare	<u>100,000</u>	<u>55,891</u>	<u>44,109</u>
Excess (deficiency) of revenues over (under) expenditures	-	(33,469)	(33,469)
Other financing sources (uses):			
Transfers out - Health Fund		(476)	(476)
Net change in fund balance	<u>\$ -</u>	<u>(33,945)</u>	<u>(33,945)</u>
Budgetary fund balance (deficit), beginning of year		<u>(5,634)</u>	
Budgetary fund balance (deficit), end of year		<u>\$ (39,579)</u>	

MACON COUNTY, ILLINOIS

**SPECIAL BRIDGE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 489,000	488,376	(624)
Intergovernmental:			
Township and Village Share	75,000	167,275	92,275
Interest on investments	10,100	13,173	3,073
Total revenues	<u>574,100</u>	<u>668,824</u>	<u>94,724</u>
Expenditures:			
Transportation:			
Supplies and materials:			
County's share of bridges	600,000	321,641	278,359
Payment of other share	150,000	73,878	76,122
Total expenditures	<u>750,000</u>	<u>395,519</u>	<u>354,481</u>
Net change in fund balance	<u>\$ (175,900)</u>	<u>273,305</u>	<u>449,205</u>
Budgetary fund balance, beginning of year		<u>386,318</u>	
Budgetary fund balance, end of year		<u>\$ 659,623</u>	

MACON COUNTY, ILLINOIS

**STATE-TOWNSHIP BRIDGE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
State of Illinois	\$ 165,449	186,607	21,158
Interest on investments	5,100	485	(4,615)
Miscellaneous	80,000		(80,000)
Total revenues	250,549	187,092	(63,457)
Expenditures:			
Transportation:			
Supplies and materials - Township bridges	514,000	37,423	476,577
Net change in fund balance	<u>\$ (263,451)</u>	149,669	<u>413,120</u>
Budgetary fund balance, beginning of year		<u>34,910</u>	
Budgetary fund balance, end of year		<u>\$ 184,579</u>	

MACON COUNTY, ILLINOIS

CIRCUIT CLERK AUTOMATION FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Circuit Clerk automation fees	\$ 200,000	205,561	5,561
Interest on investments	1,540	2,195	655
Total revenues	<u>201,540</u>	<u>207,756</u>	<u>6,216</u>
Expenditures:			
Judiciary and Court-Related:			
Personnel:			
Court technology administrator	85,400	85,051	349
Supplies and materials:			
Circuit Clerk - EDP	149,000	117,562	31,438
Circuit Courts - EDP	15,000	13,417	1,583
Total expenditures	<u>249,400</u>	<u>216,030</u>	<u>33,370</u>
Net change in fund balance	<u>\$ (47,860)</u>	<u>(8,274)</u>	<u>39,586</u>
Budgetary fund balance, beginning of year		<u>129,057</u>	
Budgetary fund balance, end of year		<u>\$ 120,783</u>	

MACON COUNTY, ILLINOIS

**CIRCUIT CLERK DOCUMENT STORAGE FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Document storage fees	\$ 100,000	107,055	7,055
Interest on investments	1,540	5,400	3,860
Total revenues	<u>101,540</u>	<u>112,455</u>	<u>10,915</u>
Expenditures:			
Judiciary and Court-Related:			
Personnel:			
Salaries	83,317	83,408	(91)
Hospitalization	20,035	20,035	
Supplies and materials:			
Circuit Clerk - EDP	60,000	35,826	24,174
Total expenditures	<u>163,352</u>	<u>139,269</u>	<u>24,083</u>
Net change in fund balance	<u>\$ (61,812)</u>	<u>(26,814)</u>	<u>34,998</u>
Budgetary fund balance, beginning of year		<u>328,043</u>	
Budgetary fund balance, end of year		<u>\$ 301,229</u>	

MACON COUNTY, ILLINOIS

**COUNTY CLERK AUTOMATION FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
County Clerk automation fees	\$ 45,000	46,744	1,744
Interest on investments	1,500	691	(809)
Total revenues	46,500	47,435	935
Expenditures:			
Judiciary and Court-Related:			
Miscellaneous		67	(67)
Excess of revenues over expenditures	46,500	47,368	868
Other financing sources (uses):			
Transfers out - General Fund administration	(46,200)	(45,000)	1,200
Net change in fund balance	\$ 300	2,368	2,068
Budgetary fund balance, beginning of year		6,775	
Budgetary fund balance, end of year		\$ 9,143	

MACON COUNTY, ILLINOIS

**TREASURER AUTOMATION FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Treasurer automation fees	\$ 32,500	47,765	15,265
Interest on investments	3,000	1,638	(1,362)
Total revenues	<u>35,500</u>	<u>49,403</u>	<u>13,903</u>
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	16,100	13,136	2,964
Supplies and materials:			
Treasurer - EDP	8,000	7,998	2
Postage	11,400	11,445	(45)
Total expenditures	<u>35,500</u>	<u>32,579</u>	<u>2,921</u>
Net change in fund balance	<u>\$ -</u>	<u>16,824</u>	<u>16,824</u>
Budgetary fund balance, beginning of year		<u>71,914</u>	
Budgetary fund balance, end of year		<u>\$ 88,738</u>	

MACON COUNTY, ILLINOIS

GIS AUTOMATION FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Fines, fees and forfeitures:			
GIS automation fees	\$ 150,000	207,773	57,773
Mapping fees			
Interest on investments	3,500	7,822	4,322
Miscellaneous income		4,767	4,767
Total revenues	153,500	220,362	66,862
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	72,800	25,154	47,646
Group hospitalization	6,500	2,035	4,465
Supplies and materials:			
Consulting fees	20,000	20,000	
Training	5,000	1,350	3,650
Supplies	2,500	850	1,650
Total General Control and Administration	106,800	49,389	57,411
Capital Outlay	30,000	28,962	1,038
Total expenditures	136,800	78,351	58,449
Excess of revenues over expenditures	16,700	142,011	125,311
Other financing sources (uses):			
Transfer in - Highway Fund	15,000		(15,000)
Net change in fund balance	\$ 31,700	142,011	110,311
Budgetary fund balance, beginning of year		211,612	
Budgetary fund balance, end of year		\$ 353,623	

MACON COUNTY, ILLINOIS

ANIMAL CONTROL FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
City-County contract	\$ 350,000	350,000	
Municipality contract	15,000	3,085	(11,915)
Fines, fees and forfeitures:			
Sales tags	272,988	298,595	25,607
Board	9,000	7,078	(1,922)
Impound fees, destruction	7,000	5,517	(1,483)
Euthanasia	1,400	1,520	120
Animal adoptions	4,420	7,654	3,234
Warden	12,140	9,467	(2,673)
Offense	20,000	16,830	(3,170)
Avid chip fee	8,109	8,745	636
Citations	43,825	610	(43,215)
Rabies vaccination and observation	10,636	16,700	6,064
Spay neuter fees	22,500	37,862	15,362
Owner release	6,260	9,780	3,520
Trap rental	100	291	191
Disposal fee	1,730	1,915	185
Animal care fee	12,534	13,572	1,038
Interest on investments	6,513	5,151	(1,362)
Miscellaneous donations	54,000	38,268	(15,732)
Total revenues	858,155	832,640	(25,515)
Expenditures:			
Public Safety:			
Personnel:			
Salaries	470,776	450,973	19,803
Group hospitalization and fringes	95,153	93,101	2,052
Supplies and materials:			
Vehicle maintenance, gas, and insurance	26,100	26,099	1
Contractual services - building	1,000	81	919
Dues		50	(50)
Supplies	41,500	40,893	607
Telephone	7,000	4,065	2,935
Travel	1,000		1,000
Postage	1,800	299	1,501
Printing	2,000		2,000
Maintenance of equipment	1,000	1,126	(126)
Legal advertising	3,000	752	2,248

(Continued)

MACON COUNTY, ILLINOIS

ANIMAL CONTROL FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008

	Budget	Actual	Variance
Expenditures, continued:			
Public Safety, continued:			
Supplies and materials, continued:			
Computer/software	19,000	13,227	5,773
Training	6,500	1,925	4,575
Professional services	20,000	11,793	8,207
Animal disposal	1,800	1,487	313
Drug testing	1,000	630	370
Spay/neuter	20,000	20,136	(136)
Avid chip	5,000	5,000	
Rabies vaccination	6,000	6,368	(368)
Uniforms	4,000	4,019	(19)
Total Public Safety	733,629	682,024	51,605
Capital Outlay:			
Equipment	73,700	74,609	(909)
Total expenditures	807,329	756,633	50,696
Excess of revenues over expenditures	50,826	76,007	25,181
Other financing sources (uses):			
Transfers out:			
General Fund administration	(9,800)	(9,800)	
General Fund professional fees	(30,000)	(30,000)	
Total other financing sources (uses)	(39,800)	(39,800)	-
Net change in fund balance	\$ 11,026	36,207	25,181
Budgetary fund balance, beginning of year		46,186	
Budgetary fund balance, end of year		\$ 82,393	

MACON COUNTY, ILLINOIS

**HISTORICAL MUSEUM FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 32,000	30,392	(1,608)
Interest on investments		41	41
Payroll refund, Historical Society	34,305	31,018	(3,287)
Total revenues	<u>66,305</u>	<u>61,451</u>	<u>(4,854)</u>
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	51,100	44,792	6,308
Retirement/fringes	8,200	6,850	1,350
Group hospitalization	6,105	6,105	
Supplies and materials:			
Miscellaneous	100	(61)	161
Total expenditures	<u>65,505</u>	<u>57,686</u>	<u>7,819</u>
Excess of revenues over expenditures	800	3,765	2,965
Other financing uses:			
Transfer out - General Fund	<u>(800)</u>	<u>(400)</u>	<u>400</u>
Net change in fund balance	<u>\$ -</u>	<u>3,365</u>	<u>3,365</u>
Budgetary fund balance, beginning of year		<u>35</u>	
Budgetary fund balance, end of year		<u>\$ 3,400</u>	

MACON COUNTY, ILLINOIS

**LAW LIBRARY FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Law Library fees	\$ 64,000	62,566	(1,434)
Interest on investments	1,100	1,380	280
Miscellaneous	300	973	673
Total revenues	65,400	64,919	(481)
Expenditures:			
Judiciary and Court-Related:			
Personnel:			
Law librarian	15,000	15,565	(565)
Supplies and materials:			
Election research	23,000	16,807	6,193
Supplies	2,000	262	1,738
Service charge	100	10	90
Telephone	700		700
Copy machine	1,000	396	604
Total Judiciary and Court-Related	41,800	33,040	8,760
Capital Outlay	23,600	19,249	4,351
Total expenditures	65,400	52,289	13,111
Net change in fund balance	\$ -	12,630	12,630
Budgetary fund balance, beginning of year		54,772	
Budgetary fund balance, end of year		\$ 67,402	

MACON COUNTY, ILLINOIS

AUTOMATION FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Fines, fees and forfeitures:			
Recorder automation fees	\$ 120,000	131,504	11,504
Interest on investments	3,900	11,204	7,304
Total revenues	123,900	142,708	18,808
Expenditures:			
General Control and Administration:			
Personnel:			
Recorder salaries	54,326	54,159	167
Employee benefits	12,210	12,210	
Supplies and materials:			
Recorder automation expense	41,000	26,821	14,179
Total General Control and Administration	107,536	93,190	14,346
Capital Outlay	10,000	2,952	7,048
Total expenditures	117,536	96,142	21,394
Net change in fund balance	<u>\$ 6,364</u>	46,566	<u>40,202</u>
Budgetary fund balance, beginning of year		<u>290,946</u>	
Budgetary fund balance, end of year		<u>\$ 337,512</u>	

MACON COUNTY, ILLINOIS

SOLID WASTE MANAGEMENT FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL

Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
IEPA Solid Waste Enforcement grant	\$ 46,266	27,396	(18,870)
IDCEO grant		42,838	42,838
Fines, fees and forfeitures:			
Tipping fee surcharge	190,000	182,082	(7,918)
Disposal fee	6,000	6,050	50
Interest on investments	65,200	35,498	(29,702)
Miscellaneous	2,750	221	(2,529)
Total revenues	310,216	294,085	(16,131)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	180,851	167,968	12,883
Fringe benefits	36,954	24,391	12,563
Group hospitalization	30,896	27,981	2,915
Supplies and materials:			
Grant, Clean Community System	5,000	836	4,164
Grant, City of Decatur	15,000	6,012	8,988
Recycling program	32,000	30,400	1,600
Consultant	3,000	15,449	(12,449)
Solid waste sundry	20,000	9,971	10,029
Computer tech support	500	257	243
Computer - Enforcement	340		340
Travel	3,310	3,032	278
Library	750	506	244
Education expense	10,000	6,940	3,060
Promotional materials	5,000	2,056	2,944
Equipment maintenance	2,500		2,500
Telephone	4,672	2,759	1,913
Car mileage	750		750

(Continued)

MACON COUNTY, ILLINOIS

**SOLID WASTE MANAGEMENT FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
Year ended November 30, 2008**

	Budget	Actual	Variance
Expenditures, continued:			
Public Health and Welfare, continued:			
Supplies and materials, continued:			
Vehicle gas, oil tires	6,775	4,693	2,082
Postage	2,507	1,059	1,448
Printing	2,010	1,542	468
Dues	1,000	753	247
Legal advertising	150		150
Training	5,390	1,677	3,713
Waste animal disposal	5,000	225	4,775
Rural clean up	10,000	259	9,741
Fines IEPA - Enforcement	1,000		1,000
Advertising - Enforcement	3,288	2,650	638
Supplies	3,316	502	2,814
Miscellaneous	7,750	2,016	5,734
Total Public Health and Welfare	399,709	313,934	85,775
Capital Outlay	33,398	15,634	17,764
Total expenditures	433,107	329,568	103,539
Excess (deficiency) of revenues over (under) expenditures	(122,891)	(35,483)	87,408
Other financing sources (uses):			
Transfers out - General Fund administration	(81,800)	(61,800)	20,000
Net change in fund balance	<u>\$ (204,691)</u>	<u>(97,283)</u>	<u>107,408</u>
Budgetary fund balance, beginning of year		<u>1,452,307</u>	
Budgetary fund balance, end of year		<u>\$ 1,355,024</u>	

MACON COUNTY, ILLINOIS

VETERANS ASSISTANCE COMMISSION FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 80,000	80,343	343
Interest on investments	5,000	2,492	(2,508)
Total revenues	85,000	82,835	(2,165)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	72,265	72,265	
Group hospitalization	12,300	12,210	90
Supplies and materials:			
Dues	200		200
Supplies	5,050	3,305	1,745
Printing	300		300
Insurance	700		700
Service charge	500	(31)	531
Copy machine	950	1,025	(75)
Veterans burial	1,000		1,000
Bus transportation	7,000	6,100	900
Maintenance of equipment	500		500
Travel	1,500	854	646
Telephone	2,000	1,283	717
Postage	700	883	(183)
Central services	400		400
Miscellaneous	1,680		1,680
Total Public Health and Welfare	107,045	97,894	9,151
Capital Outlay	9,500	9,530	(30)
Total expenditures	116,545	107,424	9,121
Excess (deficiency) of revenues over (under) expenditures	(31,545)	(24,589)	6,956
Other financing sources (uses):			
Transfers out - General Fund administration	(7,000)	(7,000)	
Net change in fund balance	\$ (38,545)	(31,589)	6,956
Budgetary fund balance, beginning of year		145,516	
Budgetary fund balance, end of year		\$ 113,927	

MACON COUNTY, ILLINOIS

**WORKFORCE INVESTMENT SOLUTIONS FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Illinois Department of Commerce and Economic Opportunity	\$ 2,397,210	1,984,909	(412,301)
Interest on investments		435	435
Miscellaneous	39,015	21,419	(17,596)
Total revenues	2,436,225	2,006,763	(429,462)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	616,091	528,726	87,365
Group hospitalization	100,601	94,080	6,521
Retirement and fringes	88,351	88,034	317
Supplies and materials:			
Maintenance agreement	30,397	24,131	6,266
Telephone	13,176	14,653	(1,477)
Workforce Investment Board expenses	11,721	17,203	(5,482)
Travel	20,500	18,890	1,610
Utilities	8,161	1,637	6,524
Rent	23,418	1,000	22,418
Marketing	97,000	86,446	10,554
Staff capacity building	4,000		4,000
Vocational training	414,775	496,199	(81,424)
On-the-job training	90,000	10,923	79,077
Annual membership fees	2,225	3,757	(1,532)
Equipment rental	13,220	19,512	(6,292)
Facility costs	27,500	39,710	(12,210)
SDA Contracts	384,000	267,766	116,234
Child care and transportation expenses	201,350	122,430	78,920
Periodicals/subscriptions	11,000	7,003	3,997
Liability	38,465	5,714	32,751
Payroll processing	2,000	2,114	(114)
Work experience stipends	80,612	93,074	(12,462)
CSSI RN program expense	79,000	88,692	(9,692)
CSSI Medical Coding Program	7,000	5,459	1,541
CSSI tutoring service	10,000		10,000
Urban League Contract	50,000		50,000
Supplies	17,500	19,039	(1,539)
Total expenditures	2,442,063	2,056,192	385,871

(Continued)

MACON COUNTY, ILLINOIS

**WORKFORCE INVESTMENT SOLUTIONS FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
Year ended November 30, 2008**

	Budget	Actual	Variance
Excess (deficiency) of revenues over (under) expenditures	(5,838)	(49,429)	(43,591)
Other financing sources (uses):			
Transfer out - General Fund administration		<u>(16,556)</u>	<u>(16,556)</u>
Net change in fund balance	<u>\$ (5,838)</u>	<u>(65,985)</u>	<u>(60,147)</u>
Budgetary fund balance (deficit), beginning of year		<u>(39,272)</u>	
Budgetary fund balance (deficit), end of year		<u>\$ (105,257)</u>	

MACON COUNTY, ILLINOIS

STATE'S ATTORNEY GRANT FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Child Advocacy Center:			
Department of Children and Family Services	\$ 85,357	85,357	
Attorney General	16,100	16,550	450
Macon County Mental Health Board	13,683	13,689	6
National Children's Alliance	10,000	10,682	682
Hidden Victims Grant	16,614	16,000	(614)
Safe from the Start Grant	148,200	149,100	900
U.S. Department of Justice Grant	51,350	31,185	(20,165)
Redeploy Grant	15,000	19,161	4,161
Weed and Seed Grant	15,250	15,250	
Safety Net Initiative	18,900	18,900	
IDOT DUI Grant	14,285		(14,285)
Other	450	230	(220)
Circuit Clerk fees	63,000	67,661	4,661
Miscellaneous Income	5,000	5,302	302
Total revenues	473,189	449,067	(24,122)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	276,261	271,690	4,571
Group hospitalization	10,543	40,005	(29,462)
Fringes, retirement, FICA	44,101	33,882	10,219
Supplies and materials:			
Phone	5,755	5,329	426
Travel	18,013	12,874	5,139
Training	19,905	8,074	11,831
Utilities	8,664	8,501	163
Building lease	16,200	16,200	
Postage	1,730	1,613	117
Printing	4,424	4,663	(239)
Hidden Victims Grant expenditures	17,064	16,073	991
Reference materials	807	544	263
Advertising	1,650	5,154	(3,504)
Liability insurance	7,900	5,087	2,813
Client assistance	700	391	309
Supplies	18,260	13,766	4,494
Contractual services	44,431	19,294	25,137

(Continued)

MACON COUNTY, ILLINOIS

**STATE'S ATTORNEY GRANT FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2008**

	Budget	Actual	Variance
Expenditures, continued:			
Public Health and Welfare, continued:			
Supplies and materials, continued:			
Contingent grant expense	20,000		20,000
Copy machine	500	868	(368)
Total Public Health and Welfare	516,908	464,008	52,900
Capital Outlay	16,338	12,420	3,918
Total expenditures	533,246	476,428	56,818
Net change in fund balance	<u>\$ (60,057)</u>	<u>(27,361)</u>	<u>32,696</u>
Budgetary fund balance, beginning of year		<u>122,914</u>	
Budgetary fund balance, end of year		<u>\$ 95,553</u>	

MACON COUNTY, ILLINOIS

SHERIFF'S GRANT FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Millikin Hire Back	\$ 20,000	1,600	(18,400)
Local Law Enforcement Block Grant - City of Decatur	14,000	7,181	(6,819)
Curfew Violation Grant		(1,100)	(1,100)
Traffic Safety	80,049	77,904	(2,145)
Liquor Sting Grant	10,670	10,220	(450)
Sheriff Jail Drug Grant	10,821	9,810	(1,011)
Social Security Administration Incentive	7,500	40,600	33,100
Miscellaneous income		31	31
Total revenues	143,040	146,246	3,206
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	86,818	65,058	21,760
Fringes	9,775	4,634	5,141
Hospitalization	5,088	1,526	3,562
Supplies and materials:			
Curfew Violation Grant	6,000	68	5,932
Liquor Sting Grant	16,670	11,780	4,890
Travel	833		833
Traffic Safety	18,000		18,000
Traffic Safety - auto expense	8,535		8,535
Sheriff Jail Drug Grant	10,821	9,810	1,011
Alien Assistance Grant	1,500	(303)	1,803
Total expenditures	164,040	92,573	71,467
Net change in fund balance	\$ (21,000)	53,673	74,673
Budgetary fund balance, beginning of year		88,657	
Budgetary fund balance, end of year		\$ 142,330	

MACON COUNTY, ILLINOIS

**EMERGENCY MANAGEMENT AGENCY GRANT FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
State grant	\$ 25,000		(25,000)
Interest on investments		10	10
Total revenues	25,000	10	(24,990)
Expenditures:			
Capital Outlay	25,000		25,000
Net change in fund balance	<u>\$ -</u>	10	<u>10</u>
Budgetary fund balance, beginning of year		<u>371</u>	
Budgetary fund balance, end of year		<u>\$ 381</u>	

MACON COUNTY, ILLINOIS

**PROBATION GRANT FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL**

Year ended November 30, 2008

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Redeploy Illinois Grant	\$ 435,721	413,618	(22,103)
Interest on investments		1,099	1,099
	<hr/>		
Total revenues	435,721	414,717	(21,004)
<hr/>			
Expenditures:			
Public Health and Welfare:			
Supplies and materials:			
Travel	914	881	33
Substance Abuse	101,991	99,534	2,457
Home intervention	145,714	141,225	4,489
Technical Assistance	36,931	22,846	14,085
Training and education	34,515	31,795	2,720
Teen Court	18,440	18,440	
Community ACCESS Coordinator	36,135	36,579	(444)
State's Attorney Victim services	30,086	25,042	5,044
CRB Coordinator	16,615	20,331	(3,716)
Supplies	14,380	12,254	2,126
Miscellaneous			
	<hr/>		
Total expenditures	435,721	408,927	26,794
<hr/>			
Net change in fund balance	<u>\$ -</u>	<u>5,790</u>	<u>5,790</u>
Budgetary fund balance, beginning of year		<u>10,962</u>	
Budgetary fund balance, end of year		<u>\$ 16,752</u>	

MACON COUNTY, ILLINOIS

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The Health Capital Improvement Fund accounts for revenue and expenditures designated for construction of the Health Department facility.

MACON COUNTY, ILLINOIS

**HEALTH CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2008**

	Budget	Actual	Variance
Revenues:			
Interest on investments	\$ 4,150	2,628	(1,522)
Expenditures:			
Public Health and Welfare:			
Supplies and materials	30,000	7,652	22,348
Capital Outlay:			
Building construction		10,117	(10,117)
Total expenditures	30,000	17,769	12,231
Excess (deficiency) of revenues over (under) expenditures	(25,850)	(15,141)	10,709
Other financing sources (uses):			
Transfers in - Health Fund	10,860		(10,860)
Net change in fund balance	<u>\$ (14,990)</u>	<u>(15,141)</u>	<u>(151)</u>
Budgetary fund balance, beginning of year		<u>106,493</u>	
Budgetary fund balance, end of year		<u>\$ 91,352</u>	

MACON COUNTY, ILLINOIS

AGENCY FUNDS

Agency Funds are used to account for resources received and held by the County as agent or trustee for individuals, private organizations, and other governmental units. The resources are expended or invested in accordance with the fiduciary agreement or applicable legislative enactment for each fund.

COUNTY COLLECTOR'S FUND -

The County Collector's Fund accounts for property tax collections and disbursements to taxing authorities.

COUNTY TREASURER'S FUNDS -

The Inheritance Tax Fund accounts for all collections for inheritance tax. The Treasurer's office transfers moneys to the State of Illinois.

The General Assistance Fund accounts for all collections from the State of Illinois for General Assistance. Warrants are issued to transfer moneys to the Decatur Township Office.

The Trust Fund accounts for wage deductions, moneys for condemnation suits, and court ordered deposits. Warrants are issued based on court orders.

COUNTY CLERK'S FUND -

The Trust Fund accounts for deposits from delinquent taxpayers for the portion of the tax bill that is for tax buyers. Warrants are then issued to tax buyers after tax sales.

CIRCUIT CLERK'S FUNDS -

The Trust Fund charges and collects fees incurred from court cases and distributes the proceeds to the applicable governmental agencies and funds.

The Support Fund accounts for moneys collected for child support and disbursed on court order.

COUNTY SHERIFF'S FUND -

The County Sheriff's Trust Fund is used only for reimbursements for overpayments on warrant billing, sheriff sale, and civil process fees.

The Correctional Center Resident Trust Fund accounts for monies held by the Sheriff as trustee for jail detainees that can be used for commissary purchases. Any balance remaining is returned to the detainees upon release or transfer.

TOWNSHIP ROAD FUND

The Township Road Fund - Motor Fuel Tax provides for disbursements to Township in Macon County for road repairs. The Highway Department is custodian of funds provided by state motor fuel tax designed for each township.

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
 November 30, 2008

	County Collector's Fund	County Treasurer's Funds	County Clerk's Fund	Circuit Clerk's Funds	County Sheriff's Funds	Township Road Fund	Total
Assets							
Cash	\$ 5,166,744	46,550	115,236	1,501,248	14,925	1,696,538	8,541,241
Investments	322,197	652		506,205		7,170	836,224
Accrued interest receivable				3,674			3,674
Due from State of Illinois - allotment						67,808	67,808
Total assets	5,488,941	47,202	115,236	2,011,127	14,925	1,771,516	9,448,947
Liabilities							
Due to other governmental agencies		22,512		47,154		1,731,460	1,801,126
Accounts payable						40,056	40,056
Deposits payable	90,716	24,690	488	1,963,973	14,925		2,094,792
Due to taxing districts	5,398,225						5,398,225
Due to tax buyers			114,748				114,748
Total liabilities	\$ 5,488,941	47,202	115,236	2,011,127	14,925	1,771,516	9,448,947

MACON COUNTY, ILLINOIS

COUNTY COLLECTOR'S FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2008

	Balance November 30, 2007	Additions	Deductions	Balance November 30, 2008
Assets				
Cash	\$ 5,195,851	2,444,909	2,474,016	5,166,744
Investments	538,555	126,583,914	126,800,272	322,197
Total assets	5,734,406	129,028,823	129,274,288	5,488,941
Liabilities				
Due to other funds		583,052	583,052	
Deposits payable	432,260	904,898	1,246,442	90,716
Due to taxing districts	5,302,146	127,540,873	127,444,794	5,398,225
Total liabilities	\$ 5,734,406	129,028,823	129,274,288	5,488,941

MACON COUNTY, ILLINOIS

COUNTY TREASURER'S FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year ended November 30, 2008

	Balance November 30, 2007	Additions	Deductions	Balance November 30, 2008
<u>Inheritance Tax Fund</u>				
Assets				
Cash	\$ 3,342	1,153,330	1,135,814	20,858
Investments	44			44
Total assets	3,386	1,153,330	1,135,814	20,902
Liabilities				
Due to other funds		1,969	1,969	
Due to other governmental agencies	3,386	1,151,361	1,133,845	20,902
Total liabilities	3,386	1,153,330	1,135,814	20,902
<u>General Assistance Fund</u>				
Assets				
Cash	1,466	188,387	188,243	1,610
Liabilities				
Due to other governmental agencies	1,466	188,387	188,243	1,610
<u>Trust Fund</u>				
Assets				
Cash	25,961	23,699	25,578	24,082
Investments	594	14		608
Total assets	26,555	23,713	25,578	24,690
Liabilities				
Deposits payable	26,555	16,840	18,705	24,690
Due to other funds		6,873	6,873	
Total liabilities	26,555	23,713	25,578	24,690
<u>Total Funds</u>				
Assets				
Cash	30,769	1,365,416	1,349,635	46,550
Investments	638	14		652
Total assets	31,407	1,365,430	1,349,635	47,202
Liabilities				
Due to other governmental agencies	4,852	1,339,748	1,322,088	22,512
Due to other funds		8,842	8,842	
Deposits payable	26,555	16,840	18,705	24,690
Total liabilities	\$ 31,407	1,365,430	1,349,635	47,202

MACON COUNTY, ILLINOIS

COUNTY CLERK'S FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2008

	Balance November 30, 2007	Additions	Deductions	Balance November 30, 2008
<hr/>				
<u>Trust Fund</u>				
Assets				
Cash	\$ 179,318	2,182,651	2,246,733	115,236
				<hr/>
Liabilities				
Deposits payable	2,283	72,041	73,836	488
Due to other funds				
Due to tax buyers	177,035	2,110,610	2,172,897	114,748
				<hr/>
Total liabilities	\$ 179,318	2,182,651	2,246,733	115,236
				<hr/>

MACON COUNTY, ILLINOIS

**CIRCUIT CLERK'S FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2008**

	Balance November 30, 2007	Additions	Deductions	Balance November 30, 2008
Trust Fund				
Assets				
Cash	\$ 1,568,086	6,887,024	6,979,848	1,475,262
Certificates of deposit	505,105	25,271	24,171	506,205
Accrued interest	5,078	3,674	5,078	3,674
Total assets	2,078,269	6,915,969	7,009,097	1,985,141
Liabilities				
Deposits payable	2,031,215	2,754,951	2,848,179	1,937,987
Due to other governmental agencies	47,054	641,749	641,649	47,154
Due to other funds		3,519,269	3,519,269	
Total liabilities	2,078,269	6,915,969	7,009,097	1,985,141
Support Fund				
Assets				
Cash	20,097	856,552	850,663	25,986
Liabilities				
Deposits payable	20,097	838,681	832,792	25,986
Due to other funds		17,871	17,871	
Total liabilities	20,097	856,552	850,663	25,986
Total Circuit Clerk's Funds				
Assets				
Cash	1,588,183	7,743,576	7,830,511	1,501,248
Certificates of deposit	505,105	25,271	24,171	506,205
Accrued interest	5,078	3,674	5,078	3,674
Total assets	2,098,366	7,772,521	7,859,760	2,011,127
Liabilities				
Due to other governmental agencies	47,054	641,749	641,649	47,154
Due to other funds		3,537,140	3,537,140	
Deposits payable	2,051,312	3,593,632	3,680,971	1,963,973
Total liabilities	\$ 2,098,366	7,772,521	7,859,760	2,011,127

MACON COUNTY, ILLINOIS

COUNTY SHERIFF'S FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year ended November 30, 2008

	Balance November 30, 2007	Additions	Deductions	Balance November 30, 2008
<u>County Sheriff's Trust Fund</u>				
Assets				
Cash	\$ 1,013	5,532	2,366	4,179
Liabilities				
Deposits payable	1,013	5,532	2,366	4,179
<u>Correctional Center Resident Trust Fund</u>				
Assets				
Cash	11,214	537,796	538,264	10,746
Liabilities				
Deposits payable	11,214	537,796	538,264	10,746
<u>Total Sheriff's Funds</u>				
Assets				
Cash	12,227	543,328	540,630	14,925
Liabilities				
Deposits payable	\$ 12,227	543,328	540,630	14,925

MACON COUNTY, ILLINOIS

**TOWNSHIP ROAD FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2008**

	Balance November 30, 2007	Additions	Deductions	Balance November 30, 2008
<u>Township Road Fund - Motor Fuel Tax</u>				
Assets				
Cash	\$ 1,918,858	1,102,673	1,324,993	1,696,538
Investment	7,017	153		7,170
Due from other funds		872	872	
Due from State of Illinois - allotment	86,365	67,808	86,365	67,808
	<hr/>			
Total assets	2,012,240	1,171,506	1,412,230	1,771,516
<hr/>				
Liabilities				
Accounts payable	27,755	40,056	27,755	40,056
Due to other governmental agencies	1,984,485	1,131,450	1,384,475	1,731,460
	<hr/>			
Total liabilities	\$ 2,012,240	1,171,506	1,412,230	1,771,516
<hr/>				

MACON COUNTY, ILLINOIS

**TOTAL ALL AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2008**

	Balance November 30, 2007	Additions	Deductions	Balance November 30, 2008
Assets				
Cash	\$ 8,925,206	15,382,553	15,766,518	8,541,241
Investments	1,051,315	126,609,352	126,824,443	836,224
Accrued interest receivable	5,078	3,674	5,078	3,674
Due from other funds		872	872	
Due from State of Illinois - allotment	86,365	67,808	86,365	67,808
Total assets	10,067,964	142,064,259	142,683,276	9,448,947
Liabilities				
Due to other governmental agencies	2,036,391	3,112,947	3,348,212	1,801,126
Accounts payable	27,755	40,056	27,755	40,056
Due to other funds		4,129,034	4,129,034	
Deposits payable	2,524,637	5,130,739	5,560,584	2,094,792
Due to taxing districts	5,302,146	127,540,873	127,444,794	5,398,225
Due to tax buyers	177,035	2,110,610	2,172,897	114,748
Total liabilities	\$ 10,067,964	142,064,259	142,683,276	9,448,947

STATISTICAL SECTION
(Unaudited)

MACON COUNTY, ILLINOIS

STATISTICAL SECTION

This part of Macon County, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help readers understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help readers assess the County's most significant local revenue source - its property tax.

Debt Capacity

These schedules present information to help readers assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help readers understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help readers understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Except where noted, the information in these schedules is derived from Macon County, Illinois' comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning that year.

MACON COUNTY, ILLINOIS

**NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS**

(Prepared using the accrual basis of accounting)

	2008	2007	2006	2005	2004	2003
Governmental activities:						
Invested in capital assets, net of related debt	\$ 26,844,685	28,636,255	12,699,438	12,984,934	6,658,161	6,380,924
Restricted	91,352	106,493	429,487	6,402,105	3,736,880	3,333,021
Unrestricted	34,537,452	34,603,813	33,852,391	21,694,693	23,577,294	23,168,978
Total governmental activities net assets	61,473,489	63,346,561	46,981,316	41,081,732	33,972,335	32,882,923
Primary government:						
Invested in capital assets, net of related debt	26,844,685	28,636,255	12,699,438	12,984,934	6,658,161	6,380,924
Restricted	91,352	106,493	429,487	6,402,105	3,736,880	3,333,021
Unrestricted	34,537,452	34,603,813	33,852,391	21,694,693	23,577,294	23,168,978
Total primary government net assets	\$ 61,473,489	63,346,561	46,981,316	41,081,732	33,972,335	32,882,923

Note: Entity-wide financial information for the County government as a whole is available beginning in fiscal

Note: Entity-wide financial information for the County government as a whole is available beginning in fiscal year 2003, the year GASB Statement No. 34 was implemented.

MACON COUNTY, ILLINOIS

CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS

(Prepared using the accrual basis of accounting)

	2008	2007	2006	2005	2004	2003
Expenses						
Governmental activities:						
General control and administration	\$ 9,160,744	9,421,696	10,384,209	8,830,625	8,391,661	8,958,859
Public safety	14,054,775	13,637,829	9,715,600	11,444,061	11,532,508	9,470,243
Judiciary and court-related	9,115,238	8,037,076	6,299,870	6,190,711	6,287,988	5,663,855
Public health and welfare	11,497,511	9,637,112	8,954,194	8,745,459	8,510,230	7,961,185
Transportation	6,962,170	6,897,914	4,877,917	5,027,838	8,657,610	3,977,462
Interest on long-term debt	50,442	42,247	51,688	414,085	433,837	433,567
Total governmental activities expenses	50,840,880	47,673,874	40,283,478	40,652,779	43,813,834	36,465,171
Total primary government expenses	50,840,880	47,673,874	40,283,478	40,652,779	43,813,834	36,465,171
Program Revenues						
Governmental activities:						
Charges for services:						
General government	2,354,360	2,195,857	2,103,590	2,102,326	2,296,057	2,042,848
Public safety	1,581,616	1,380,536	1,370,284	1,323,488	1,304,160	1,227,747
Judiciary and court-related	2,637,566	2,674,929	2,480,065	2,490,949	2,382,172	2,004,940
Other activities	761,205	733,117	686,144	656,019	520,797	454,994
Operating grants and contributions	14,737,366	13,519,377	13,164,103	16,303,449	12,690,489	12,801,276
Total governmental activities program revenues	22,072,113	20,503,816	19,804,186	22,876,231	19,193,675	18,531,805
Total primary government program revenues	22,072,113	20,503,816	19,804,186	22,876,231	19,193,675	18,531,805
Net (expense) revenue, governmental activities	(28,768,767)	(27,170,058)	(20,479,292)	(17,776,548)	(24,620,159)	(17,933,366)
Total primary government net expense	(28,768,767)	(27,170,058)	(20,479,292)	(17,776,548)	(24,620,159)	(17,933,366)
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes						
Property taxes	15,759,831	14,956,074	15,507,295	14,420,074	16,052,100	15,686,659
Sales taxes	6,010,009	5,905,221	5,902,593	5,757,499	5,266,907	3,722,735
Other taxes	2,522,896	2,409,412	2,223,615	2,039,441	1,599,709	1,610,643
Investment earnings	700,547	1,294,699	1,199,480	566,649	323,540	203,226
Miscellaneous	1,902,412	1,971,218	1,820,732	1,890,985	2,467,316	1,500,168
Total governmental activities	26,895,695	26,536,624	26,653,715	24,674,648	25,709,572	22,723,431
Total primary government	26,895,695	26,536,624	26,653,715	24,674,648	25,709,572	22,723,431
Change in net assets, governmental activities	(1,873,072)	(633,434)	6,174,423	6,898,100	1,089,413	4,790,065
Total primary government	\$ (1,873,072)	(633,434)	6,174,423	6,898,100	1,089,413	4,790,065

Note: Entity-wide financial information for the County government as a whole is available beginning in fiscal year 2003, the year GASB Statement No. 34 was implemented.

MACON COUNTY, ILLINOIS

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Prepared using the modified accrual basis of accounting)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Fund:										
Reserved	\$ 301,915	320,873	374,000	335,580	344,028	325,342	52,541	62,546	55,153	229,972
Unreserved	8,252,424	6,467,445	4,199,370	1,930,881	513,469	(310,780)	(968,055)	(1,095,577)	(309,112)	746,896
Total general fund	<u>8,554,339</u>	<u>6,788,318</u>	<u>4,573,370</u>	<u>2,266,461</u>	<u>857,497</u>	<u>14,562</u>	<u>(915,514)</u>	<u>(1,033,031)</u>	<u>(253,959)</u>	<u>976,868</u>
All Other Governmental Funds:										
Reserved	4,953,122	5,313,756	4,875,463	7,140,198	3,326,728	2,852,857	26,159	4,648	132,207	85,721
Unreserved, reported in:										
Special revenue funds	23,947,602	23,227,450	25,231,682	18,953,264	20,507,992	21,105,874	21,499,359	21,421,759	21,646,789	21,066,434
Capital projects funds	91,352	106,493	109,881	114,555	409,730	214,778				
Total all other governmental funds	<u>\$ 28,992,076</u>	<u>28,647,699</u>	<u>30,217,026</u>	<u>26,208,017</u>	<u>24,244,450</u>	<u>24,173,509</u>	<u>21,525,518</u>	<u>21,426,407</u>	<u>21,778,996</u>	<u>21,152,155</u>

MACON COUNTY, ILLINOIS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Prepared using the modified accrual basis of accounting)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Revenues:										
Taxes	\$ 24,292,736	23,270,707	23,633,503	22,217,014	22,918,716	21,020,037	19,315,963	18,798,749	18,991,581	18,758,464
Intergovernmental	15,053,144	13,875,412	13,572,273	16,674,267	13,030,618	13,135,830	13,553,447	11,835,066	9,624,963	10,155,010
Fines, fees and forfeitures	6,643,508	6,388,513	5,977,479	5,947,761	5,964,843	5,276,095	6,339,340	5,761,317	5,743,207	5,631,176
Licenses and permits	241,622	239,891	254,434	254,203	198,214	119,880	90,953	96,596	83,457	58,609
Investment earnings	699,688	1,294,021	1,198,017	565,332	322,822	202,805	437,313	1,108,432	1,513,110	1,027,157
Miscellaneous revenues	2,005,191	1,948,249	1,820,732	1,888,737	2,465,857	1,500,168	1,252,459	2,936,883	4,126,463	3,067,879
Total revenues	48,935,889	47,016,793	46,456,438	47,547,314	44,901,070	41,254,815	40,989,475	40,537,043	40,082,781	38,698,295
Expenditures:										
General control and administration	8,725,566	8,591,866	9,815,467	8,027,914	7,480,110	8,251,404	7,492,415	10,731,437	10,850,766	9,583,524
Public safety	13,204,313	13,049,148	9,323,558	10,984,285	11,283,184	9,466,188	9,863,964	9,888,752	10,070,210	9,136,630
Judiciary and court-related	8,433,313	7,872,428	6,180,166	6,049,224	6,203,159	5,550,206	6,756,603	6,831,218	7,133,910	5,566,739
Public health and welfare	10,911,602	9,317,880	8,632,064	8,348,134	8,103,792	7,705,262	8,380,261	6,588,511	6,027,061	6,372,417
Transportation	3,479,896	5,277,127	3,785,442	3,745,609	7,267,977	5,267,006	5,514,115	5,063,696	4,691,800	3,857,572
Capital outlay	2,331,931	1,959,107	2,164,129	6,491,796	2,700,159	3,938,078	1,535,835	1,222,204	793,677	985,285
Debt service:										
Principal	87,797	66,369	54,954	692,275	511,557	614,183	487,624	461,172	414,285	505,045
Interest	50,442	42,247	51,688	413,237	436,135	444,422	444,331	462,671	469,019	503,133
Total expenditures	47,224,860	46,176,172	40,007,468	44,752,474	43,986,073	41,236,749	40,475,148	41,249,661	40,450,728	36,510,345
Excess (deficiency) of revenues over (under) expenditures	1,711,029	840,621	6,448,970	2,794,840	914,997	18,066	514,327	(712,618)	(367,947)	2,187,950
Other financing sources (uses):										
Capital lease proceeds						106,093				
Loan proceeds					182,879	2,589,202			190,667	
Refinancing payments						(1,309,191)				
Transfers in	738,772	1,833,529	4,959,152	2,147,121	1,977,160	1,699,967	216,655	1,217,423	1,576,699	919,209
Transfers out	(888,772)	(2,028,529)	(5,088,152)	(2,266,121)	(2,161,160)	(1,809,467)	(514,354)	(1,572,168)	(2,038,004)	(1,388,237)
Total other financing sources (uses)	(150,000)	(195,000)	(129,000)	(119,000)	(1,121)	1,276,604	(297,699)	(354,745)	(270,638)	(469,028)
Net change in fund balances	\$ 1,561,029	645,621	6,319,970	2,675,840	913,876	1,294,670	216,628	(1,067,363)	(638,585)	1,718,922
Debt service as a percentage of noncapital expenditures										
	0.31%	0.25%	0.28%	2.89%	2.30%	2.84%	2.39%	2.31%	2.23%	2.84%
Debt service as a percentage of total expenditures										
	0.29%	0.24%	0.27%	2.47%	2.15%	2.57%	2.30%	2.24%	2.18%	2.76%
Ratio of capital outlay to total expenditures										
	4.94%	4.24%	5.41%	14.51%	6.14%	9.55%	3.79%	2.96%	1.96%	2.70%

MACON COUNTY, ILLINOIS

**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(Prepared using the modified accrual basis of accounting)

Fiscal year ended November 30	Property	Retailer's Occupational	Other	Total
1999	\$ 13,845,752	2,982,512	1,930,200	18,758,464
2000	13,738,288	3,091,739	2,161,554	18,991,581
2001	14,032,760	3,041,468	1,724,521	18,798,749
2002	14,467,514	3,020,464	1,827,985	19,315,963
2003	15,686,659	3,722,735	1,610,643	21,020,037
2004	16,052,100	5,266,907	1,599,709	22,918,716
2005	14,420,074	5,757,499	2,039,441	22,217,014
2006	15,507,295	5,902,593	2,223,615	23,633,503
2007	14,956,074	5,905,221	2,409,412	23,270,707
2008	15,759,831	6,010,009	2,522,896	24,292,736

MACON COUNTY, ILLINOIS

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUATION
LAST TEN TAX LEVY YEARS

Year Property Assessed	Fiscal Year Ended	Real Estate		Railroads		Total		Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
1998	1999	\$ 1,286,998,463	3,860,999,250	14,318,217	42,954,694	1,301,316,680	3,903,953,944	33 1/3	1.4212
1999	2000	1,087,345,909	3,515,600,327	14,689,302	44,112,018	1,102,035,211	3,559,712,345	33 1/3	1.4274
2000	2001	1,124,646,483	3,620,285,295	11,201,302	32,583,006	1,135,847,785	3,652,868,301	33 1/3	1.4098
2001	2002	1,206,961,765	3,582,095,677	11,263,206	33,789,618	1,218,224,971	3,615,885,295	33 1/3	1.3819
2002	2003	1,257,587,721	3,738,040,602	11,574,187	34,722,561	1,269,161,908	3,772,763,163	33 1/3	1.4135
2003	2004	1,332,089,906	3,960,081,273	12,062,815	36,188,445	1,344,152,721	3,996,269,718	33 1/3	1.3829
2004	2005	1,310,728,120	3,932,184,360	11,780,781	35,342,343	1,322,508,901	3,967,526,703	33 1/3	1.2720
2005	2006	1,374,064,456	4,122,193,368	12,117,906	36,353,718	1,386,182,362	4,158,547,086	33 1/3	1.3233
2006	2007	1,435,141,676	4,305,425,028	14,270,070	42,810,210	1,449,411,746	4,348,235,238	33 1/3	1.1983
2007	2008	1,508,990,727	4,526,972,181	16,226,554	48,679,662	1,525,217,281	4,575,651,843	33 1/3	1.2032

Source: Macon County Clerk's Office

Note: Property in the County of Macon, Illinois is reassessed every year. The County assesses property at approximately 33.3% of actual value. Estimated actual value is calculated by dividing taxable value by that percentage. Assessed value includes tax-exempt property.

MACON COUNTY, ILLINOIS

SCHEDULE OF PROPERTY TAX RATES
 ALL DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN TAX LEVY YEARS
 (Per \$100 of Assessed Valuation)

Governmental Unit	Year of Levy									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
County of Macon, direct rates:										
General Corporate Fund	0.2386	0.2500	0.2447	0.2500	0.2500	0.2500	0.2400	0.2390	0.2463	0.2500
County Highway Fund	0.0852	0.0897	0.0893	0.0901	0.0853	0.0849	0.0960	0.0956	0.0986	0.1000
Special Bridge Fund	0.0321	0.0338	0.0500	0.0339	0.0316	0.0314	0.0339	0.0353	0.0364	0.0400
Illinois Municipal Retirement Fund	0.1410	0.0690	0.0974	0.0756	0.1098	0.1111	0.0771	0.0803	0.0828	0.0867
Federal Aid Matching Fund	0.0272	0.0286	0.0285	0.0287	0.0269	0.0267	0.0289	0.0301	0.0310	0.0500
Historical Museum Fund	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020
County Health Department Fund	0.0921	0.0821	0.1054	0.1070	0.1070	0.1070	0.1034	0.1070	0.1012	0.1070
Insurance Liability Fund	0.0066	0.0138	0.0260	0.0547	0.0581	0.0615	0.0610	0.0615	0.0634	0.0066
Veterans Commission Fund	0.0052	0.0062	0.0066	0.0069	0.0068	0.0070	0.0070	0.0072	0.0074	0.0075
708 Board Fund	0.1397	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1463
Judgment Repayment Fund	0.0164	0.0207	0.0216	0.0340	0.0413	0.0585	0.0610	0.0615	0.0634	0.0660
Law Facilities Center Fund				0.1792	0.2594	0.2679	0.2729	0.2846	0.2868	0.2895
Social Security Tax Fund	0.0794	0.0669	0.0700	0.0699	0.0716	0.0733	0.0643	0.0669	0.0690	0.0750
Dec Public Bldg Comm Lease Fund	0.3131	0.3596	0.4047							
Building Renovation Fund				0.1626	0.1559	0.1594	0.1608	0.1650	0.1646	0.1694
Macon County Coop Extension	0.0246	0.0259	0.0271	0.0274	0.0272	0.0228	0.0236	0.0238	0.0245	0.0252
Total direct rate	1.2032	1.1983	1.3233	1.2720	1.3829	1.4135	1.3819	1.4098	1.4274	1.4212
City of Decatur	1.2324	1.2418	1.2699	1.2717	1.1934	1.2796	1.2857	1.3939	1.3716	1.3444
Conservation District	0.1035	0.1056	0.1088	0.1146	0.1146	0.1082	0.1052	0.1070	0.1097	0.1046
Decatur Park District	1.0280	1.0288	1.0141	0.9988	0.9988	0.9988	0.9325	0.9980	0.9910	0.9879
Decatur Sanitary District	0.2727	0.2644	0.2828	0.2964	0.2964	0.2616	0.3047	0.3301	0.3380	0.3504
Decatur Township	0.2745	0.2691	0.2679	0.2664	0.2775	0.2494	0.2653	0.2840	0.2686	0.2637
Hickory Point Township	0.2948	0.3009	0.3006	0.3022	0.2913	0.3010	0.3005	0.3217	0.3311	0.3356
Richland Community College	0.3941	0.3868	0.3889	0.3895	0.3895	0.3839	0.3723	0.3721	0.3328	0.3325
Decatur School District	4.3615	4.3107	4.3201	4.1670	4.1670	4.0734	3.9862	3.6250	3.2946	3.3086
Mt. Zion School District	3.9824	3.9197	3.9851	4.0149	3.9609	3.9901	3.9629	3.9571	3.9896	3.9830

Note: Taxes are collected during the year following the year taxes are levied.

Source: Macon County Clerk's Office

MACON COUNTY, ILLINOIS

**PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Type of Business Property	2008 Equalized Assessed Valuation	Percentage of Total 2008 Equalized Assessed Valuation	2008 Rank
Archer Daniels Midland Co.	Industrial	\$ 28,932,946	1.90%	1
Hickory Point, LLC	Retail	15,184,589	1.00%	2
Wal-Mart Stores, Inc.	Retail	9,039,487	0.59%	3
Caterpillar, Inc.	Industrial	7,298,638	0.48%	4
Tate and Lyle North America	Industrial	5,706,491	0.37%	5
Pittsburg Plate Glass Co.	Industrial	4,263,320	0.28%	6
Decatur Memorial Health Fdn.	Health	4,175,460	0.27%	7
Northgate Ltd. Partnership	Retail	3,936,963	0.26%	8
Brettwood Village Assoc.	Retail	3,765,522	0.25%	9
Millikin University	Education	3,162,000	0.21%	10
		<u>\$ 85,465,416</u>	<u>5.61%</u>	
Total 2008 County assessed valuation		<u>\$ 1,525,217,281</u>		

Taxpayer	Type of Business Property	1999 Equalized Assessed Valuation	Percentage of Total 1999 Equalized Assessed Valuation	1999 Rank
Archer Daniels Midland Co.	Industrial	\$ 30,250,865	2.35%	1
Wal-Mart Stores, Inc.	Retail	9,329,132	0.72%	2
Caterpillar, Inc.	Industrial	9,325,944	0.72%	3
CWB Investments	Retail	9,001,622	0.70%	4
Pittsburg Plate Glass Co.	Industrial	4,918,182	0.38%	5
Tate and Lyle North America	Industrial	3,546,927	0.28%	6
Millikin University	University apartments	3,244,514	0.25%	7
Raynor - Holiday Inn	Lodging	3,050,627	0.24%	8
Brettwood Village Assoc.	Retail	2,969,804	0.23%	10
Firestone	Industrial	2,666,555	0.21%	9
		<u>\$ 78,304,172</u>	<u>6.08%</u>	
Total 1999 County assessed valuation		<u>\$ 1,286,998,463</u>		

Source: Macon County Supervisor of Assessments

MACON COUNTY, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS - COUNTY FUNDS
LAST TEN TAX LEVY YEARS

	Tax Levy Year									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Tax Extensions:										
General Corporate Fund	\$ 3,638,864	3,623,529	3,392,410	3,309,657	3,330,292	3,144,033	2,896,768	2,714,734	2,714,377	2,804,705
County Highway Fund	1,300,095	1,300,122	1,238,279	1,192,800	1,136,293	1,067,711	1,158,704	1,085,890	1,086,628	1,100,000
Special Bridge Fund	489,137	489,032	465,065	448,790	420,947	394,889	409,167	400,962	401,148	434,000
Illinois Municipal Retirement Fund	2,150,099	1,000,094	1,350,005	1,000,840	1,462,659	1,397,206	930,584	912,101	912,504	964,971
Federal Aid Matching Fund	415,012	415,111	395,063	379,949	358,337	335,782	348,818	341,896	341,638	556,500
Historical Museum Fund	30,504	28,988	27,724	26,477	26,642	25,152	24,139	22,716	22,040	22,260
County Health Department Fund	1,407,190	1,190,950	1,461,774	1,416,590	1,425,336	1,397,271	1,300,121	266,294	1,161,938	1,179,200
Insurance Liability Fund	100,054	200,019	360,131	724,153	773,957	773,430	736,260	698,558	698,704	734,580
Veterans Commission Fund	80,074	90,009	92,043	91,347	90,583	88,032	84,488	81,782	81,551	84,505
708 Board Fund	2,135,853	2,176,708	2,080,719	1,985,873	1,998,134	1,958,792	1,886,057	1,775,178	1,722,240	1,550,696
Judgment Repayment Fund	250,136	300,028	300,109	450,113	550,162	735,701	736,260	698,558	698,704	734,338
Law Facilities Center Fund				2,372,362	3,455,503	3,369,139	3,293,860	3,232,681	3,160,701	3,221,943
Social Security Tax Fund	1,211,023	970,091	970,052	925,380	953,793	921,828	776,091	759,895	760,420	834,750
Decatur Public Building Commission Lease Fund	4,775,913	5,211,504	5,609,890							
Building Renovation				2,152,601	2,076,764	2,004,631	1,940,836	1,874,183	1,813,987	1,885,430
Macon County Extension	375,846	375,671	375,612	362,753	362,327	297,737	296,740	281,299	281,299	251,634
Total	\$ 18,359,800	17,371,856	18,118,876	16,839,685	18,421,729	17,911,334	16,818,893	15,146,727	15,857,879	16,359,512
Total Collections	18,245,426	17,375,414	18,047,742	16,801,523	18,410,806	17,843,535	16,765,230	16,059,661	15,725,560	15,321,795
Percentage of extensions collected	99.38%	100.02%	99.61%	99.77%	99.94%	99.62%	99.68%	106.03%	99.17%	93.66%

Note: Taxes are collected during the year following the year taxes are levied.
Subsequent year collections are not presented because there was no subsequent adjustments to the levy.

Source: Macon County Clerk's Office and Macon County Treasurer's Office

MACON COUNTY, ILLINOIS

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Debt limit	\$ 43,849,997	41,260,323	39,852,743	37,683,433	38,297,585	36,155,646	34,700,151	32,333,586	33,657,479	37,001,205
Total net debt applicable to limit										
Legal debt margin	\$ 43,849,997	41,260,323	39,852,743	37,683,433	38,297,585	36,155,646	34,700,151	32,333,586	33,657,479	37,001,205
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value (2007 tax year)	\$1,525,217,281
Debt limit (2.875% of assessed value)	43,849,997
Debt outstanding applicable to limit: NONE	
Total net debt applicable to limit	-
Total legal debt margin	\$ 43,849,997

Illinois Compiled Statutes, 50 ILCS 405/1, provides that no county having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for State and county taxes, previous to the incurring of such indebtedness.

Additionally, the limitation "... shall not apply to any indebtedness of any county for the purpose of building a county court house, jail, and other necessary county buildings..." Reference: Illinois Compiled Statutes - 50 ILCS 405/1.10.

MACON COUNTY, ILLINOIS

RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended November 30,	Governmental activities			Total	Estimated Actual Value	Percentage of General Bonded Debt to Estimated Actual Value	Percentage of Personal Income (1)	Population	General Bonded Debt Per Capita
	Capital Leases	General Obligation Debt	Contractual Obligations						
1999	\$ 9,540,836	297,413		9,838,249	3,903,953,944	0.25%	0.42%	118,051	83.34
2000	8,787,712	273,438		9,061,150	3,559,712,345	0.25%	0.29%	114,706	78.99
2001	8,380,084	219,896		8,599,980	3,652,868,301	0.24%	0.27%	114,706	74.97
2002	7,950,000	162,357		8,112,357	3,615,885,295	0.22%	0.26%	112,391	72.18
2003	7,569,651	1,260,875	53,752	8,884,278	3,772,763,163	0.24%	0.28%	111,175	79.91
2004	7,140,800	1,396,302	18,498	8,555,600	3,996,269,718	0.21%	0.28%	110,502	77.42
2005		1,173,325		1,173,325	3,967,526,703	0.03%	0.05%	110,167	10.65
2006		1,118,371		1,118,371	4,158,547,086	0.03%	0.04%	109,309	10.23
2007		1,052,002		1,052,002	4,348,235,238	0.02%	0.04%	108,732	9.68
2008		964,205		964,205	4,575,651,843	0.02%	0.04%	108,328	8.90

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the schedule of demographic and economic statistics for personal income data.

Population estimates for 2001-2008 are based on the 2000 census per the U.S. Census Bureau.

During 2005, the capital lease applicable to the County buildings was re-negotiated with the Decatur Public Building Commission. It was determined at that time that the lease was an operating lease and no longer a capital lease obligation. Additional details of this agreement can be found in Note 16 to the current financial statements.

COUNTY OF MACON, ILLINOIS

DIRECT AND OVERLAPPING DEBT

As of November 30, 2008

Governmental Unit	Total Debt Outstanding	Percentage Applicable to County	Debt Applicable to County
Direct Debt:			
County	\$ 964,205	100.0%	<u>964,205</u>
Overlapping Debt:			
City of Decatur	48,047,110	100.0%	48,047,110
Decatur Park District	9,144,300	100.0%	9,144,300
Decatur School District #61	15,613,821	100.0%	15,613,821
Argenta School District #1	11,093,885	99.9%	11,082,791
Meridian School District #15	226,040	95.7%	216,388
Mt. Zion School District #3	5,900,091	97.9%	5,776,189
Public Building Commission	8,669,983	100.0%	8,669,983
Richland Community College	2,419,830	73.5%	1,778,575
Sangamon Valley School District #9	81,466	56.2%	45,816
Warrensburg School District #11	583,625	93.2%	544,172
Maroa-Forsyth School District #2	4,009,230	96.8%	3,880,935
Village of Mt. Zion	5,363,177	100.0%	<u>5,363,177</u>
Total overlapping debt			<u>110,163,257</u>
Total debt applicable to County			<u><u>\$ 111,127,462</u></u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering Macon County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the County's boundaries and dividing it by each unit's total taxable assessed value.

MACON COUNTY, ILLINOIS

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population (1)	Personal Per Capita Income (1)	Personal Income (in thousands)	Median Age (1)	School Enrollment (2)	Unemployment Rates (3)		
						County	State	United States
1999	118,051	\$ 20,067	2,368,929	38.4	18,742	5.2	4.1	4.0
2000	114,706	27,336	3,129,506	38.0	17,870	5.0	4.4	4.0
2001	114,706	27,336	3,135,603	38.0	17,959	6.3	5.4	4.8
2002	112,391	28,094	3,157,489	38.0	19,874	8.2	6.5	5.8
2003	111,175	28,094	3,123,350	38.0	19,759	7.4	6.7	6.0
2004	110,502	28,094	3,104,443	38.0	19,006	6.7	6.2	5.5
2005	110,167	23,330	2,570,196	38.0	18,589	6.1	5.7	5.1
2006	109,309	23,330	2,550,179	39.3	18,575	5.3	4.6	4.6
2007	108,732	22,512	2,447,775	39.3	18,303	5.7	5.0	4.6
2008	108,328	24,125	2,613,413	39.3	17,744	7.2	6.5	5.8

(1) U.S. Census Bureau, last census was 2000

(2) Macon-Piatt Regional Office of Education

(3) Illinois Department of Employment Security, U.S. Department of Labor

MACON COUNTY, ILLINOIS

**PRINCIPAL EMPLOYERS IN THE COUNTY
CURRENT YEAR AND NINE YEARS AGO**

Employer	2008			1999		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Archer Daniels Midland Co.	4,000	1	7.55%	3,100	1	5.68%
Caterpillar, Inc.	3,500	2	6.61%	2,500	2	4.58%
Decatur Memorial Hospital	2,266	3	4.28%	1,900	4	3.48%
Decatur Public School District	1,500	4	2.83%	2,261	3	4.15%
Ameren/IL Power Company	1,250	5	2.36%	1,420	6	2.60%
St. Mary's Hospital	1,100	6	2.08%	1,200	7	2.20%
Tate and Lyle North America	822	7	1.55%	725	9	1.33%
Millikin University	600	8	1.13%	**	**	**
Norfolk Southern Corp.	600	9	1.13%	760	8	1.39%
Star Tek	600	10	1.13%	**	**	**
Bridgestone/Firestone, Inc.				1,850	5	3.39%
Wagner Castings				700	10	1.28%
Total	16,238		30.65%	16,416		30.08%
Total County employment			52,946			54,546

Includes 10 largest employers.

Source: The Economic Development Corporation of Decatur and Macon County

** Employers are not included in top 10 employers in 1999. Data is not available.

MACON COUNTY, ILLINOIS

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Function/Program										
General government:										
Management services	18	21	19	22	23	19	23	22	22	23
Finance	19	20	19	19	18	19	19	14	20	21
Other	27	28	27	27	27	29	19	28	29	28
Public safety:										
Officers	51	51	50	49	46	46	47	47	48	49
Civilians	143	146	145	149	140	140	169	188	189	167
Judiciary	103	102	106	106	96	96	98	104	105	98
Public Health	119	113	120	121	113	113	112	97	102	109
Transportation	30	25	27	27	25	25	25	32	31	32
Total	510	506	513	520	488	487	512	532	546	527

Source: Macon County Payroll Records

MACON COUNTY, ILLINOIS

**OPERATING INDICATORS BY FUNCTION
LAST THREE FISCAL YEARS**

Function	2008	2007	2006
General government:			
Accounts payable checks issued	6,912	5,985	6,684
Payroll checks and direct deposits issued	15,285	15,442	15,063
Public safety:			
Jail bookings	6,817	6,206	5,638
Year end inmate population	262	265	259
Traffic violations	5,327	5,500	5,023
Calls for service	19,455	20,245	21,871
Health:			
Dental Clinic - patients seen	12,976	12,976	13,775
Women, Infants and Children Program - active clients	3,152	3,267	3,084
TB skin tests administered	2,474	2,982	2,849
Influenza immunizations	4,516	5,254	5,354
Judicial:			
Juvenile probation caseload	225	302	243
Adult probation caseload	1,148	954	815
Divorce cases filed	564	570	620
Small claims filed	2,810	3,168	2,668
Highway:			
Lane miles of road resurfaced	6	2	14
Chip and seal general road maintenance	28	34	16
New signs installed	750	750	800
Bridges rebuilt	1	4	5
Roadside culverts installed	100	100	100
Planning and zoning:			
Residential construction building permits	129	190	142
Commercial construction building permits	28	18	17

Source: Various County departments

Notes: Fiscal year 2006 was the initial year of presenting this information. Ten years of data have not yet been completed.

MACON COUNTY, ILLINOIS

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST THREE FISCAL YEARS**

	2008	2007	2006
Function/Program			
General government:			
Land area (square miles)	581	581	581
Animal Control vehicles	6	5	4
Solid Waste recycling boxes	6	6	0
Solid Waste recycling trailers	5	5	4
Public Safety:			
Sheriff - marked vehicles	19	20	17
Sheriff - unmarked vehicles	7	7	5
Probation - vehicles	11	11	10
Emergency Management - vehicles	4	4	4
Highway:			
Miles of streets or roads	250	250	250
Bridges	63	63	63

Source: Various County departments

Notes: Fiscal year 2006 was the initial year of presenting this information. Ten years of data have not yet been completed.

FEDERAL AWARDS - COMPLIANCE SECTION

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended November 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/07	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/08
Major Programs							
U.S. Department of Labor:							
Passed Through Illinois Department of Commerce and Economic Opportunity:							
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	06-681019	\$ 1,734,092	(28,677)	18,385	(10,292)	
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	05-676119	75,000		19,124	19,124	
WIA Youth, Adult, Dislocated Worker WIA 10% Statewide Activities Incentive WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	08-681019	1,387,938		156,600	181,164	(24,564)
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	06-672019	19,766				
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	07-681019	1,591,422	(34,183)	279,270	230,971	14,116
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	06-631019	50,000	(3,236)	7,412	4,176	
WIA Rapid Response WIA 10% Private Sector Based Training WIA 10% Statewide Activities Incentive	17.258	07-651019	148,727		42,050	40,006	2,044
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	07-634201	125,000	(5,042)	35,919	30,877	
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.258	07-630219	14,691		4,260	4,260	
				(71,138)	563,020	500,286	(8,404)
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	06-681019		66,975	19,747	86,722	
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	05-676119			21,248	21,248	
WIA Youth, Adult, Dislocated Worker WIA 10% Statewide Activities Incentive WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	08-681019			193,140	223,436	(30,296)
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	06-672019					
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	07-681019		(37,719)	308,160	254,864	15,577
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	06-631019		(3,477)	7,962	4,485	
WIA Rapid Response WIA 10% Private Sector Based Training WIA 10% Statewide Activities Incentive	17.259	07-651019			46,400	44,145	2,255
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	07-634201		(5,564)	39,635	34,071	
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.259	07-630219			4,701	4,701	
				20,215	640,993	673,672	(12,464)
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	06-681019		101,617	29,960	131,577	
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	05-676119			30,456	30,456	
WIA Youth, Adult, Dislocated Worker WIA 10% Statewide Activities Incentive WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	08-681019			172,260	199,280	(27,020)
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	06-672019					
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	07-681019		(45,970)	375,570	310,616	18,984
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	06-631019		(5,274)	12,079	6,805	
WIA Rapid Response WIA 10% Private Sector Based Training WIA 10% Statewide Activities Incentive	17.260	07-651019			56,550	53,801	2,749
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	07-634201		(6,781)	48,305	41,524	
WIA Youth, Adult, Dislocated Worker WIA Administration-Workforce Investment Board	17.260	07-630219			5,730	5,730	
				43,592	730,910	779,789	(5,287)
Total U.S. Department of Labor				(7,331)	1,934,923	1,953,747	(26,155)

(Continued)
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MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year ended November 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/07	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/08
U.S. Department of Agriculture:							
Passed through Illinois Department of Human Services:							
Supplemental Nutrition Program for Women, Infants and Children	10.557	11G8322000	\$ 456,300	(51,214)	303,700	252,486	
Birth to Five Assurance Network	10.557	11G8322000	80,000	(344)	46,600	46,256	
Supplemental Nutrition Program for Women, Infants and Children	10.557	11G9322000	456,300		172,700	200,905	(28,205)
Birth to Five Assurance Network	10.557	11G9322000	80,000		26,700	32,798	(6,098)
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	240000115	Food		718,797	718,797	
Total U.S. Department of Agriculture				<u>(51,558)</u>	<u>1,268,497</u>	<u>1,251,242</u>	<u>(34,303)</u>
Non major Programs							
U.S. Department of Labor:							
Passed Through Illinois Department of Commerce and Economic Opportunity:							
WIA TAA Training	17.245	06-661119	78,929	(78,928)	78,928		
WIA TAA Training	17.245	06-661219	51,000		31,161	19,161	12,000
Total U.S. Department of Labor				<u>(78,928)</u>	<u>110,089</u>	<u>19,161</u>	<u>12,000</u>
U.S. Department of Agriculture:							
Passed Through Illinois Department of Public Health:							
Summer Food Inspection Program	10.559		N/A		4,100	4,100	
WIC Farmers Market-admin	10.572	11G8322000	N/A		1,000	1,000	
Total U.S. Department of Agriculture				<u>-</u>	<u>5,100</u>	<u>5,100</u>	<u>-</u>

(Continued)

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year ended November 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/07	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/08
U.S. Department of Transportation:							
Passed through Illinois Department of Transportation:							
Highway Planning and Construction - Feasibility Study-Decatur Beltway	20.205	P-95-042-99	\$ 1,200,000	(203,514)	263,097	195,452	(135,869)
Highway Safety Project	20.601	AL8-0058-073	86,567		65,931	65,931	
Highway Safety Project	20.601	AL9-0058-138	86,395		11,972	11,972	
				-	77,903	77,903	-
Passed through Illinois Emergency Management Agency:							
Hazardous Materials Emergency Preparedness Grant Program	20.703	808HMEPMACN	15,985	(5,468)	12,500	7,032	
Total U.S. Department of Transportation							
				(208,982)	353,500	280,387	(135,869)
U.S. Department of Justice:							
Office on Violence Against Women:							
Computer Tracking Project Grant	16.590	2008WEAX0021	399,947		31,185	34,933	(3,748)
Bureau of Justice Assistance:							
State Criminal Alien Assistance Program (SCAAP)	16.572	2008APBX1517	8,702		8,702	8,702	
Passed through City of Decatur:							
Justice Assistance Grant Disparate Jurisdiction	16.738	2007 JAG	21,587		7,181	7,181	
Passed through Illinois Criminal Justice Information Authority:							
Curfew Violation Grant	16.523	504012	50,170		(1,100)	(1,100)	
Hidden Victims Prosecutor Based Services							
	16.575	207159	16,000		16,000	16,000	
Defense Services	16.738	406028	135,637		47,250	60,750	(13,500)
Defense Services	16.738	405028	135,637		33,750	33,750	
				-	81,000	94,500	(13,500)
Passed through Illinois State's Attorney Appellate Prosecutor:							
Local Drug Prosecution Support Grant	16.579	404025	47,000	36,033		36,033	

(Continued)
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MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year ended November 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/07	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/08
U.S. Department of Justice, continued:							
Juvenile Justice and Delinquency Prevention:							
Passed through National Children's Alliance:							
Child Advocacy Program Support	16.543	236-PS06	\$ 10,000		6,002	6,002	
Child Advocacy Program Support	16.543	236-PS07	10,000		4,610	4,610	
				-	10,612	10,612	-
Total U.S. Department of Justice				36,033	153,580	206,861	(17,248)
U.S. Department of Health and Human Services:							
Passed through Illinois Department of Healthcare and Family Services:							
Title IV D, Child Support Enforcement	93.563	88KSAO00008	327,800		137,559	137,559	
Title IV D, Child Support Enforcement	93.563	98KSAO00008	340,900		98,635	98,635	
Title IV D, Child Support Enforcement	93.563	88KCC000054	56,676		15,825	15,825	
Title IV D, Child Support Enforcement	93.563	98KCC000054	56,676		22,934	22,934	
				-	274,953	274,953	-
Passed through Illinois Department of Human Services:							
Maternal Child Health	93.994				48	2,974	(2,926)
Maternal Child Health	93.994	83480160			11,024	11,024	
Maternal Child Health	93.994	11G8322000	17,000		15,000	15,000	
				-	26,072	28,998	(2,926)
Title XX Block Grant-TPS	93.667	11G7322000	3,880		46	46	
Title XX Block Grant-FCM	93.667	11G8322000	10,000		10,000	10,000	
				-	10,046	10,046	-
Child Care Services	93.575	11G9322000	40,000		25,000	25,748	(748)
Child Care Services	93.575	11G8322000	40,000	256	15,000	15,256	
				256	40,000	41,004	(748)
Healthy Families	93.558	11G9322000	165,000		67,565	71,667	(4,102)
Healthy Families	93.558	11G8322000	165,000	(14,675)	70,977	56,302	
				(14,675)	138,542	127,969	(4,102)

(Continued)

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year ended November 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/07	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/08
U.S. Department of Health and Human Services, continued:							
Passed Through Illinois Department of Public Health:							
Bioterrorism Preparedness	93.069	97181056	\$ 116,360			16,980	(16,980)
Bioterrorism Preparedness	93.069	87181056	116,360		100,095	108,429	(8,334)
				-	100,095	125,409	(25,314)
Illinois Immunization Program -							
Immunization Action	93.268	75180250	12,656				
Childhood Immunization Grants	93.268	85180601			9,360	9,360	
				-	9,360	9,360	-
Passed Through East Central Illinois Area Agency on Aging:							
Title III B Health Screening	93.044	07-08			25,086	25,086	
Aging and Disability Resource Center Initiative							
Administration on Aging	93.048	06-07		(3,637)	3,637		
Evidence Based Grant	93.048	07-08			17,031	17,031	
				(3,637)	20,668	17,031	-
Title III E Caregiver Services	93.052	07-08			32,559	32,559	
Passed Through Illinois State Board of Elections:							
HAVA - VAID II	93.617					31,000	(31,000)
Passed Through Circle of Parents, Inc.:							
Promoting Responsible Fatherhood	93.086		50,000		50,000	23,456	26,544
Total U.S. Department of Health and Human Services				(18,056)	727,381	746,871	(37,546)
Environmental Protection Agency:							
Passed Through Illinois Department of Public Health:							
Potable Water Supply Program	66.605		N/A		1,000	1,000	
Department of Housing and Urban Development:							
Passed Through Illinois Department of Public Health:							
Lead-Based Paint Hazard Control	14.900	65380228	13,050		6,300	6,300	

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MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year ended November 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/07	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/08
U.S. Department of Homeland Security, Office of Domestic Preparedness:							
Passed through Illinois Emergency Management Agency:							
Emergency Management Preparedness	97.042	800008EMA30	\$ 42,955		15,133	22,552	(7,419)
Emergency Management Preparedness	97.042	900008EMA30	42,955			7,397	(7,397)
				-	15,133	29,949	(14,816)
Public Assistance-EMA	97.036	115UJLPK 1681			336	336	
Public Assistance-Highway	97.036	115UY089 1681		(2,121)	2,121		
				(2,121)	2,457	336	-
Total U.S. Department of Homeland Security				(2,121)	17,590	30,285	(14,816)
Total Expenditures of Federal Awards				<u>\$ (330,943)</u>	<u>4,577,960</u>	<u>4,500,954</u>	<u>(253,937)</u>

MACON COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended November 30, 2008

Note 1 - Single Audit Reporting Entity

The County includes expenditures in its Schedule of Expenditures of Federal Awards for all federal programs administered by the same funds, agencies, boards, and commissions included in the County's reporting entity used for its basic financial statements, except for the component unit, Macon County Mental Health Board, for which a separate single audit is conducted.

Note 2 - Basis of Accounting

The Schedule of Expenditures of Federal Awards has been presented on the accrual basis of accounting. Accordingly, expenditures are recorded when incurred rather than when paid.

As an agent of the Illinois Department of Human Services, the County is required to determine eligibility and initiate the payment process from the State of Illinois' Special Supplemental Nutrition Program for Women, Infants and Children (WIC). The noncash expenditures of \$ 718,797 reported under CFDA No. 10.557, WIC, represent the dollar value retail WIC Food Instruments redemptions for WIC benefits issued by the County. This value represents the amount of WIC benefits redeemed, net of rebates issued by the County on behalf of individuals determined to be eligible. The Illinois Department of Human Services only issues statements of non-cash transactions for the State fiscal year ending June 30, 2008. The amount included in the Schedule represents the State fiscal year non-cash transaction figures.

Note 3 - Categorization of Expenditures

The Schedule of Expenditures of Federal Awards reflects federal expenditures for all individual grants which were active during the year. The categorization of expenditures by program included in the schedule is based on the Catalog of Federal Domestic Assistance (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued in June and December of each year.

Note 4 - Subrecipients

Of the federal expenditures presented in the schedule, Macon County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
WIA Youth, Adult, Dislocated Worker	WIA Cluster # 17.258, 17.259 and 17.260	\$ 261,724



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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Macon County Board
Macon County, Illinois
Decatur, Illinois

Compliance

We have audited the compliance of Macon County, Illinois with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended November 30, 2008. Macon County, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Macon County, Illinois' management. Our responsibility is to express an opinion on Macon County, Illinois' compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Macon County, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Macon County, Illinois' compliance with those requirements.

In our opinion, Macon County, Illinois complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended November 30, 2008.

Internal Control over Compliance

The management of Macon County, Illinois is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Macon County, Illinois' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Macon County, Illinois' internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. *A significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by Macon County, Illinois' internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Macon County, Illinois' internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the organization, County Board, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

May, Cocagne & King, P.C.

April 29, 2009

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
November 30, 2008

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiencies identified not considered to be material weaknesses? X yes none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? yes X no

Significant deficiencies identified not considered to be material weaknesses? yes X none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)? X yes no

Identification of major programs:
CFDA #17.258, 17.259 and 17.260, Workforce Investment Act Cluster
CFDA# 10.557 Supplemental Nutrition Program for Women, Infants and Children

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes no

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
November 30, 2008

SECTION II - FINANCIAL STATEMENT FINDINGS

08-1 Significant Audit Adjustments

Criteria: Management is responsible for maintaining its accounting records in accordance with generally accepted accounting principles (GAAP).

Condition: During our audit, we identified and proposed four adjustments (which were approved and posted by management) that were significant, either individually or in the aggregate, to the County's Financial Statements. These adjustments included corrections to cash, accounts receivable, inventory and interfund balances.

Cause: Internal controls did not detect all adjustments necessary to properly record year-end balances.

Effect: As a result the following areas were initially misstated:

- 1) Cash and interfund balances receivable in the General Fund were misstated due to amounts paid from other funds not being recorded as deposits in transit to the General Fund. Additionally, due to this same issue, cash accounts in several other funds were initially misstated.
- 2) Accounts receivable in the Health Fund were understated by approximately \$ 545,000.
- 3) Inventory for use in both the Highway and Health funds were understated by \$ 374,847 and \$ 131,575, respectively.
- 4) Expenditures recorded in the Motor Fuel Tax Fund of \$ 241,855 were intended to have been paid from the Township Trust Fund, but had been misposted to the wrong fund.

Recommendation: We recommend that the County take steps to insure that all year end adjustments are identified and properly made for financial reporting purposes.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

November 30, 2008

SECTION II - FINANCIAL STATEMENT FINDINGS, continued

08-1 Significant Audit Adjustments, continued

County's Response:

- (1) Every transaction with outsiders (whether payroll or vendors) requires the involvement of the payroll clearing and the accounts payable clearing accounts. In addition, other routine transactions require interfund activity. Given the complexity and number of funds involved in every transaction, there is a time lag of several days to accomplish all the steps in the transaction. This is typically not an issue, but does become an issue at year end when the timing of the interfund transactions means that not all the pieces are on the same side of the fiscal year dividing line. We have attempted several different approaches over the years to dealing with this issue, which is complicated by the high volume of very labor intensive transactions at year end as well as our focus on our primary responsibility of insuring that budgets are not exceeded. We will make another attempt at fixing this problem by holding cash transfers for interfund transactions until after the end of the fiscal year.
- (2) The Health Department has numerous grants, all of which have varying reporting periods that do not coincide with the County's fiscal year. Grant reports are prepared by the grant administrator or their designee at the Health Department. It has been practice to record grant-related accruals based on the grant period, not on the County's fiscal year. The Auditor will develop a process with the Health Department to insure that grant reports are received to serve as the basis for accruals.

The accounts receivable adjustments primarily resulted from the reconciliation of the various grant reports to the general ledger. While steps have been taken to provide accurate, timely financial reports to grant administrators, the entire reconciliation process is incomplete. The final phase of this process consists of communicating the reconciled amounts back to the Auditor's Office for recording in the accounting records. The County will instill the importance of this communication throughout all departments in order to implement the above recommendation immediately.

- (3) The County currently has a process in place for tracking the purchase and use of inventory at both the Highway and Health Departments. However, neither department had been reporting the balance on hand to the Auditor's Office for recording in the financial statements. The Highway Department maintains stockpiles of materials needed for road maintenance as well as fuel for County use. Purchases of such materials had been expensed as purchased. The Health Department maintains an inventory of vaccines received from the State of Illinois at no charge, in order to assure proper immunizations are provided to those in need. Since there was no initial expenditure for the vaccines, no amount had been recorded. The Auditor will revise the year end closing process to include obtaining balances from Highway and Health for these inventories.
- (4) The Auditor has provided additional revenue accounts to Highway and developed additional procedures with Highway and the Treasurer to provide more detail on highway revenues and insure more accuracy. We have also implemented a section tracking process within Fundware to provide additional information on highway revenues and expenses.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
November 30, 2008

SECTION II - FINANCIAL STATEMENT FINDINGS, continued

08-2 Preparation of Grant Reports

Criteria: Grant reports submitted to grantor agencies should be supported by the actual books and records of the County.

Condition: Several departments maintain their own accounting records apart from those from which the financial statements are prepared. When grant reports are prepared from these independent records, no attempt is made to reconcile to the County-wide accounting records.

Context: During our review of numerous grant reports, there were limited instances where the amounts reported and claimed as expenditures could not be easily reconciled to the accounting records.

Effect: As a result, the grant reports for programs administered by the following County departments were not reconcilable to the accounting records:

- Health Department
- Emergency Management Agency
- Sheriff's Department
- State's Attorney

While none of the discrepancies were individually material to the financial statements, they represent a significant deficiency in internal control that has the potential to subject the financial records to misstatements.

Recommendation: We recommend that the County Auditor's office and the Health Department accounting office be the primary sources of all accounting records from which grant reports are prepared. When preparing grant reports, information should come from or be compared with and reconciled to the County-wide accounting records maintained by the County Auditor's office or the Health Department accounting office. The reconciliation would have to be done for a set time frame (i.e., last day of each month, last day of each quarter, etc.) and any discrepancies settled at once.

County's Response: The County Auditor's office and the Health Department accounting office will continue providing accounting information to each department or program director, and will assist in reconciling the reports prepared by those offices as recommended and requested by officeholders and/or finance committee. Each grantee department is being encouraged to submit all reports to the Auditor's Office concurrently with submissions to grantor agencies. The Auditor provides detailed ledgers to a number of departments at their request to facilitate reconciliation at the department level. At their request, the Auditor performs a regular formal reconciliation with the State's Attorney and Probation departments, and is available to do the same for any department requesting such reconciliation.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

November 30, 2008

SECTION II - FINANCIAL STATEMENT FINDINGS, continued

08-3 Source of Grant Funding Not Identified

Criteria: The County is responsible for identifying all Federal awards received and expended and the Federal programs under which they were received.

Condition: We were unable to determine if all federal source revenue and related expenditures were identified and included in the Schedule of Expenditures of Federal Awards. It is the responsibility of the County to monitor all direct or indirect federal monies received and spent by all departments and divisions within the County.

Context: During our audit, we noted that, while the County does identify federal source funds within the chart of accounts, not all of the program managers are communicating new federal funding sources. The current process of dealing with grants is decentralized and each department obtaining grants is responsible for their particular grant, as well as reporting and monitoring those grants.

Effect: Several grants were identified during the audit as being federal source funds passed through other state or local agencies. Because the funds were passed through other agencies and not received directly from a federal department, the funding was considered to be state or local funds. However, the County was a subrecipient of the award and therefore mandated to follow the compliance requirements of the programs.

Recommendation: We recommend that all revenue sources be communicated to the County Auditor's office by all departments and identified as federal, state or local source funds, and subsequently, noted in the chart of accounts.

County's Response: New grant related accounts are not opened until grant documents are received by the County Auditor either from the department or from the County Board. Grant documents are reviewed to identify the source of funds; revenue account numbers are set to distinguish federal from state funds. In addition, we have modified the information contained in our Accounts Receivable system to capture CFDA numbers as we learn about them from any source. Generally, new grants require a revision to the County Budget; it will be recommended to the Finance Committee that action on budgets not be taken until the source of funds has been identified. We will also solicit additional information from funders about the ultimate source of grant funding as some of the problem seems to be with grants which have passed through several hands but retain their federal original source.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

November 30, 2008

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

MACON COUNTY, ILLINOIS

SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS

November 30, 2008

None

**INFORMATION REQUIRED BY THE ILLINOIS
DEPARTMENT OF COMMERCE AND ECONOMIC
OPPORTUNITY FOR WORKFORCE INVESTMENT ACT FUNDS**

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY - COMPLETED
BY NOVEMBER 30, 2008**

**Year ended November 30, 2008 and
Cumulative from Beginning of Grant**

	Budget	Current Year	Cumulative
<u>WIA TAA Training, Grant Number 06-661219</u>			
Revenue:			
Grant funds	\$ 51,000	19,161	19,161
Expenditures:			
Training	51,000	19,161	19,161
Total expenditures	51,000	19,161	19,161
<u>WIA TAA Training, Grant Number 06-661119</u>			
Revenue:			
Grant funds	78,929	78,928	78,928
Expenditures:			
Training	78,929	78,928	78,928
<u>WIA Title I, Grant Number 06-681019</u>			
Revenue:			
Grant funds	1,734,092	208,007	1,734,092
Expenditures:			
Administrative	171,204	29,151	171,204
Youth - in school	117,886	24,780	104,320
Youth - out of school	327,503	51,651	341,069
Adult	365,384	5,987	365,384
Dislocated workers	752,115	96,438	752,115
Total expenditures	1,734,092	208,007	1,734,092
<u>WIA 10% Statewide Activities, Grant Number 07-630219</u>			
Revenue:			
Grant funds	14,691	14,691	14,691
Expenditures:			
High speed internet	14,691	14,691	14,691

(Continued)

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY - COMPLETED
BY NOVEMBER 30, 2008 (Continued)

Year ended November 30, 2008 and
Cumulative from Beginning of Grant

	Budget	Current Year	Cumulative
<u>WIA 10% Statewide Activities Training, Grant Number 05-672019</u>			
Revenue:			
Grant funds	14,489		14,489
Expenditures:			
Incentive funds	14,489	-	14,489
<u>WIA Board Grant, Grant Number 05-676119</u>			
Revenue:			
Grant funds	75,000	70,827	70,827
Expenditures:			
Marketing/rebranding	25,000	31,179	31,179
Signage	25,000	8,984	8,984
Outreach	25,000	30,664	30,664
Total expenditures	75,000	70,827	70,827
<u>WIA CSSI Central Region Grant, Grant Number 07-634201</u>			
Revenue:			
Grant funds	125,000	106,473	123,860
Expenditures:			
Supplies	2,500	835	835
Contractual	122,500	105,638	123,025
Total expenditures	125,000	106,473	123,860
<u>WIA Board Grant, Grant Number 06-631019</u>			
Revenue:			
Grant funds	50,000	15,467	49,453
Expenditures:			
Salaries	29,371	8,912	31,828
Fringe	6,152	2,364	7,385
Contractual	11,977	4,191	7,740
Other supplies	2,500		2,500
Total expenditures	\$ 50,000	15,467	49,453

MACON COUNTY, ILLINOIS

**WORKFORCE INVESTMENT SOLUTIONS
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC
OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2008**

Year ended November 30, 2008 and
Cumulative from Beginning of Grant

	Budget	Cumulative	Current Year
<u>WIA TAA Training, Grant Number 06-672019</u>			
Revenue:			
Grant funds	\$ 19,766	7,500	7,500
Expenditures:			
Incentive funds	19,766	7,499	7,499
Excess of revenue over expenditures	-	1	1
Fund balance, beginning of year			-
Fund balance, end of year			1
<u>WIA Title I, Grant Number 07-681019</u>			
Revenue:			
Grant funds	1,591,422	1,464,323	796,451
Expenditures:			
Administrative	159,140	143,135	41,395
Youth - in school	164,112	152,196	135,467
Youth - out of school	322,100	299,875	255,962
Adult	392,571	356,904	227,067
Dislocated workers	553,499	512,213	136,560
Total expenditures	1,591,422	1,464,323	796,451
Excess of revenue over expenditures	\$ -	-	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

(Continued)

MACON COUNTY, ILLINOIS

**WORKFORCE INVESTMENT SOLUTIONS
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
 ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC
 OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2008 (Continued)
 Year ended November 30, 2008 and
 Cumulative from Beginning of Grant**

	Budget	Cumulative	Current Year
<u>WIA Title I, Grant Number 08-681019</u>			
Revenue:			
Grant funds	\$ 1,387,938	603,880	603,880
Expenditures:			
Administration	131,398	72,562	72,562
Youth - in school	191,769	43,527	43,527
Youth - out of school	234,386	108,443	108,443
Adult	357,126	163,897	163,897
Dislocated worker	473,259	215,451	215,451
Total expenditures	1,387,938	603,880	603,880
Excess of revenue over expenditures	-	-	-
Fund balance, beginning of year			-
Fund balance, end of year			-

WIA TAA Training, Grant Number 07-632019

Revenue:			
Grant funds	35,076		
Expenditures:			
Incentive funds	35,076		
Excess of revenue over expenditures	\$ -	-	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

(Continued)

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH

ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC

OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2008 (Continued)

Year ended November 30, 2008 and

Cumulative from Beginning of Grant

	Budget	Cumulative	Current Year
<u>WIA CSSI Central Region Grant, Grant Number 06-674201</u>			
Revenue:			
Grant funds	\$ 125,000	17,387	17,387
Expenditures:			
Administration	25,000	17,387	17,387
Other	15,000		
Adult training	3,000		
Adult supportive services	33,000		
Dislocated worker training	13,000		
Incumbent worker	36,000		
Total expenditures	125,000	17,387	17,387
Excess of revenue over expenditures	-	-	-
Fund balance, beginning of year			-
Fund balance, end of year			-
<u>WIA Rapid Response, Grant Number 07-651019</u>			
Revenue:			
Grant funds	148,727	137,952	137,952
Expenditures:			
Administrative	9,900	6,715	6,715
Program activities	138,827	131,237	131,237
Total expenditures	148,727	137,952	137,952
Excess of revenue over expenditures	\$ -	-	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -